

COMPOSITE SCHEME OF ARRANGEMENT

BETWEEN

BHARTI AIRTEL LIMITED

Bharti Airtel/ Amalgamated
Company/ Demerged Company

NETTLE INFRASTRUCTURE INVESTMENTS LIMITED

Amalgamating Company 1

AIRTEL DIGITAL LIMITED

Amalgamating Company 2

TELESONIC NETWORKS LIMITED

Amalgamating Company 3

AIRTEL LIMITED

Resulting Company

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

**(UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE
COMPANIES ACT, 2013)**

PREAMBLE

1. INTRODUCTION

1.1 This Scheme is presented pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, including the rules and regulations issued thereunder, as may be applicable, read with Sections 2(19AA) and/ or 2(1B) of the IT Act, as may be applicable, for the:

- (a) amalgamation of the Amalgamating Company 1 with and into the Amalgamated Company;
- (b) amalgamation of the Amalgamating Company 2 with and into the Amalgamated Company;
- (c) amalgamation of the Amalgamating Company 3 with and into the Amalgamated Company; and
- (d) demerger of the Telecom Business Undertaking of the Demerged Company and vesting of the same with the Resulting Company, on a going concern basis, subsequent to the completion of the amalgamations referred to in Clauses 1.1(a), 1.1(b) and 1.1(c) above.

1.2 In addition, this Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

2. DESCRIPTION OF THE COMPANIES WHO ARE PARTIES TO THIS SCHEME

2.1. Bharti Airtel/ Amalgamated Company/ Demerged Company

2.1.1 **Bharti Airtel Limited**, Bharti Airtel/ Amalgamated Company/ Demerged Company, is a public limited company incorporated on July 7, 1995 under the Companies Act, 1956, having its registered office at Airtel Center, Plot No. 16, Udyog Vihar, Phase-IV, Gurgaon, Haryana – 122015. The equity shares of Bharti Airtel are listed on the Stock Exchanges.

2.1.2 Headquartered in India, Bharti Airtel is a global telecommunications company with operations in 18 countries across South Asia and Africa. Bharti Airtel ranks amongst the top three mobile operators globally and its mobile network covers a population of over two billion people. Bharti Airtel is India's largest integrated telecom provider and the second largest mobile operator in Africa. At the end of December, 2020, Bharti Airtel had approximately 458 million customers across its operations. Bharti Airtel's portfolio, offered through Bharti Airtel and its subsidiaries, includes high speed 4G/ 4.5G mobile broadband, 'Airtel Xstream Fiber' that promises speeds up to 1Gbps, converged digital TV solutions through the 'Airtel Xstream 4K Hybrid Box', digital payments through 'Airtel Payments Bank' as well as an integrated suite of services across connectivity, collaboration, cloud and security that serves over one million businesses. Bharti Airtel's OTT services, housed in its subsidiary, the Amalgamating Company 2, include 'Airtel Thanks' app for self-care, 'Airtel Xstream' app for video, 'Wynk Music' for entertainment and 'Airtel BlueJeans' for video conferencing. In addition, Bharti Airtel has forged strategic partnerships with hundreds of companies across the world to enable the Bharti Airtel platform to deliver an array of consumer and enterprise services.

2.2. Amalgamating Company 1

2.2.1 **Nettle Infrastructure Investments Limited**, the Amalgamating Company 1, is an unlisted

public limited company incorporated on October 1, 2010 under the Companies Act, 1956, having its registered office at Airtel Center, Plot No. 16, Udyog Vihar, Phase-IV, Gurgaon, Haryana – 122015. As on April 14, 2021, the Amalgamated Company and Bharti Airtel Services Limited (a wholly owned subsidiary of the Amalgamated Company), respectively, hold 90% and 10% of the equity share capital of the Amalgamating Company 1.

- 2.2.2 The Amalgamating Company 1 is engaged in the business of promoting, establishing and funding companies engaged in the business of providing telecom services and other companies engaged in the activities ancillary to the telecom industry.

2.3. Amalgamating Company 2

- 2.3.1. **Airtel Digital Limited**, the Amalgamating Company 2, is an unlisted public limited company, incorporated on January 13, 2015, under the Companies Act, 2013, currently having its registered office at Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase - II, New Delhi – 110070. As on April 14, 2021, the Amalgamated Company and the Amalgamating Company 1, respectively, hold 56% and 44% of the equity share capital of the Amalgamating Company 2. The Board of the Amalgamating Company 2 has, in its meeting held on March 25, 2021, approved the shifting of the Amalgamating Company 2's registered office to the State of Haryana and the Amalgamating Company 2 is in the process of undertaking all necessary actions, as per the Companies Act to shift its registered office to the State of Haryana. Filing of the application and the petition pursuant to Sections 230 to 232 of the Companies Act by the Amalgamating Company 2 will be made in the jurisdiction of the NCLT of the new registered office of the Amalgamating Company 2.

- 2.3.2. The Amalgamating Company 2 is engaged in the business of procurement, aggregation and provision of content services to its B2B and B2C customers and also in the provision of OTT services which include 'Airtel Thanks' app for self-care, 'Airtel Xstream' app for video, 'Wynk Music' for entertainment and 'Airtel BlueJeans' for video conferencing.

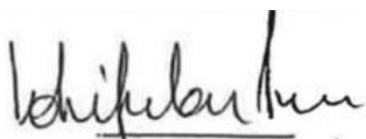
2.4. Amalgamating Company 3

- 2.4.1. **Telesonic Networks Limited**, the Amalgamating Company 3, is an unlisted public limited company, incorporated on June 26, 2009, under the Companies Act, 1956, currently having its registered office at Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase - II, New Delhi – 110070. As on April 14, 2021, the Amalgamated Company and Bharti Airtel Services Limited (a wholly owned subsidiary of the Amalgamated Company), respectively, hold 95% and 5% of the equity share capital of the Amalgamating Company 3. The Board of the Amalgamating Company 3 has, in its meeting held on March 25, 2021, approved the shifting of the Amalgamating Company 3's registered office to the State of Haryana and the Amalgamating Company 3 is in the process of undertaking all necessary actions, as per the Companies Act to shift its registered office to the State of Haryana. Filing of the application and the petition pursuant to Sections 230 to 232 of the Companies Act by the Amalgamating Company 3 will be made in the jurisdiction of the NCLT of the new registered office of the Amalgamating Company 3.

- 2.4.2. The Amalgamating Company 3 is engaged in the business of designing, planning, deploying, optimizing and managing broadband and fixed telephone networks across India. The Amalgamating Company 2 also holds a registration certificate for infrastructure provider category-I (IP-I) and is engaged in the business relating to optical fiber cable (including underground and over ground cables).

2.5 Resulting Company

- 2.5.1 **Airtel Limited**, the Resulting Company, is an unlisted public limited company, incorporated



on March 16, 2021, under the Companies Act, 2013, having its registered office at Airtel Center, Plot No. 16, Udyog Vihar, Phase-IV Gurgaon, Haryana – 122015. The Resulting Company is a newly incorporated company and as on April 14, 2021, it is a wholly owned subsidiary of the Amalgamating Company 2.

2.5.2 The Resulting Company is a newly incorporated company and is yet to commence any business operations.

3. RATIONALE AND BENEFITS OF THIS SCHEME

3.1 Insofar as the amalgamation of the Amalgamating Companies (*as defined in Clause 1.1(f) of Part I of this Scheme*) with the Amalgamated Company is concerned, such amalgamations will result in consolidation of entire operations of the Amalgamating Companies into the Amalgamated Company and will further simplify the group structure by aligning the interest of various stakeholders into the Amalgamated Company. The amalgamations shall also result in cost reduction, retaining talent, optimization of support functions, efficiencies and productivity gains by pooling the resources of the Amalgamated Company and the Amalgamating Companies, thereby significantly contributing to future growth and maximizing shareholders value. Further, the amalgamation of the Amalgamating Company 3 into the Amalgamated Company would consolidate all fibre assets (owned and leased) of the Demerged Company in a single entity and position the Demerged Company to effectively leverage such core infrastructure required across multiple businesses/legal entities thereby delivering greater shareholder value.

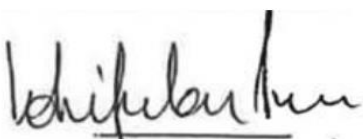
3.2 Insofar as the demerger of the Telecom Business Undertaking (*as defined in Clause 1.1(bbb) of Part I of this Scheme*) of the Demerged Company into the Resulting Company is concerned, headquartered in India, the Demerged Company is a global telecommunications company with operations in 18 countries across South Asia and Africa. The Demerged Company ranks amongst the top three mobile operators globally and its mobile network covers a population of over two billion people. The Demerged Company is India's largest integrated telecom provider and the second largest mobile operator in Africa. At the end of December, 2020, the Demerged Company had approximately 458 million customers across its operations. The Demerged Company's portfolio, offered through the Demerged Company and its subsidiaries, includes high speed 4G/ 4.5G mobile broadband, 'Airtel Xstream Fiber' that promises speeds up to 1Gbps, converged digital TV solutions through the 'Airtel Xstream 4K Hybrid Box', digital payments through 'Airtel Payments Bank' as well as an integrated suite of services across connectivity, collaboration, cloud and security that serves over one million businesses. The Demerged Company's OTT services, housed in its subsidiary, the Amalgamating Company 2, include 'Airtel Thanks' app for self-care, 'Airtel Xstream' app for video, 'Wynk Music' for entertainment and 'Airtel BlueJeans' for video conferencing. In addition, the Demerged Company has forged strategic partnerships with hundreds of companies across the world to enable the Airtel platform to deliver an array of consumer and enterprise services.

3.3 Over the years, the Demerged Company has grown into a conglomerate having multiple business verticals that are differentiable from each other, including from its predominant business i.e. the Telecom Business (*as defined in Clause 1.1(aaa) of Part I of this Scheme*). These verticals that form part of the Residual Business (*as defined in Clause 1.1(pp) of Part I of this Scheme*) include tower infrastructure, digital TV or direct-to-home services, payments bank, telecom operations in Africa and various digital assets & services etc., all held under the Demerged Company's direct/ indirect subsidiaries and joint ventures.

3.4 The Telecom Business Undertaking of the Demerged Company (being solely focused on the Telecom Business) and the Residual Business of the Demerged Company, each has distinct business segments and associated market dynamics, like competition, distinct geographic

focus, distinct strategy and distinct capital requirements. As a result, there are differences in the way in which the activities of the Telecom Business and the Residual Business are required to be organised and managed. The segregation and transfer of the Telecom Business Undertaking into the Resulting Company, as envisaged in this Scheme, will, without disturbing the current value accretion to the shareholders of the Demerged Company, enable sharper focus towards the Telecom Business, better alignment of Telecom Business and the Residual Business to their customers and the respective businesses to improve competitiveness, operational efficiencies and strengthen their position in the relevant market-place, resulting in a more sustainable long term growth and competitive edge. The segregation and transfer of the Telecom Business Undertaking to the Resulting Company will also align the interests of key stakeholders, which will benefit the strategic direction of the Resulting Company in the long term, thereby creating greater value for the shareholders/ stakeholders of the Demerged Company and the Resulting Company. It will also lead to sharper focus on the Telecom Business resulting in logistics alignment, creation of efficiencies and optimization of capital and operational expenditure.

- 3.5 One of the distinct advantages of carving out the Telecom Business into a standalone entity is its integration under the fold of the Demerged Company's digital platform as described hereinafter.
- (a) In recent past, the Demerged Company has, much like the rest of the telecom industry witnessed a steady rise in consumption of mobile data by its users, and along with that, the demand for various digital services has also risen significantly. Further, the recent COVID-19 pandemic fuelled adoption and greater consumption of digital services by the users.
 - (b) Keeping pace with this trend, 'Airtel' has remained focussed on digital innovations to remain the network of choice, and it has significantly expanded its portfolio to include high speed 4G/4.5G mobile broadband, 'Airtel Xstream Fiber' that promises speeds upto 1Gbps, converged digital TV solutions through the 'Airtel Xstream 4K Hybrid Box', digital payments through 'Airtel Payments Bank' as well as an integrated suite of services across connectivity, collaboration, cloud and security that serves over one million businesses. It also renders over-the-top (OTT) services that include 'Airtel Thanks' app for self-care, 'Airtel Xstream' app for video, 'Wynk Music' for entertainment and 'Airtel BlueJeans' for video conferencing. Most of these services are rendered by the Demerged Company's subsidiary, the Amalgamating Company 2, which is proposed to be amalgamated into the Amalgamated Company.
 - (c) The Demerged Company believes that the world is moving towards a digital future where telecommunication will continue to play a pivotal role. As countries move further on their digital path, telecom companies will come across numerous opportunities to contribute towards enabling this journey. The Demerged Company is thus desirous of creating a consolidated digital platform encompassing various digital assets and services, along with the telecommunication business under its fold. A digital platform such as this will enable sharper focus towards the "digital agenda" and will also provide greater efficiencies to the digital platform in accessing the substantial user base of telecommunication business. The user base of the telecommunication business is anticipated to be at the core of the digital business.
 - (d) It is also expected that the formation of a consolidated digital platform will position it suitably to attract interest of investors, strategic partners and joint venture partners having the necessary ability, experience and interests, and shall provide an opportunity to the investors to select investments which best suit their investment strategies and risk profiles.



- (e) To this end, it is also desirable that the Resulting Company should continue to be owned predominantly by Amalgamated Company, in order to maintain its attractiveness from the standpoint of potential investors and/ or strategic partners since the digital and telecommunication businesses are intertwined with each other. Thus, the Resulting Company is proposed to remain unlisted after the demerger.
- (f) Accordingly, this Scheme provides for demerger of the Telecom Business Undertaking into the Resulting Company.

3.6 Separately, the demerger of Telecom Business to the Resulting Company is expected to result in the segregation of non-telecom Residual Business from Telecom Business.

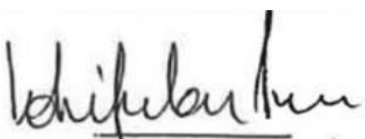
3.7 This Scheme is expected to be in the best interests of the shareholders, employees and creditors of each of the Companies, as it would result in enhancement of shareholder value, operational efficiencies and greater focus and would enable each of the aforesaid Companies to vigorously pursue revenue growth and expansion opportunities.

3.8 In view of the abovementioned reasons and in order to avoid multiplicity of schemes and the consequent increase in cost and effort that may have to be expended by the Companies, the NCLT and the Appropriate Authorities, it is considered desirable and expedient to implement this Scheme.

4. PARTS OF THIS SCHEME

4.1 This Scheme is divided into the following parts:

- PART I** - Definitions and Share Capital;
- PART II** - Amalgamation of the Amalgamating Company 1 with and into the Amalgamated Company;
- PART III** - Amalgamation of the Amalgamating Company 2 with and into the Amalgamated Company;
- PART IV** - Amalgamation of the Amalgamating Company 3 with and into the Amalgamated Company;
- PART V** - Demerger of the Telecom Business Undertaking of the Demerged Company and vesting of the same with the Resulting Company, on a going concern basis; and
- PART VI** - General Terms and Conditions.

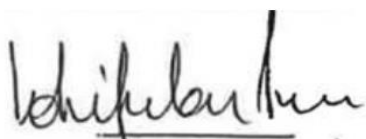


PART I

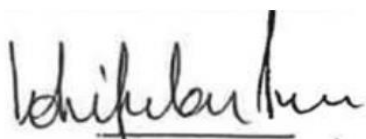
1. DEFINITIONS

1.1 In this Scheme, unless repugnant to the subject or meaning or context thereof, the following expressions shall have the meaning attributed to them as below:

- (a) “**Accounting Standards**” means the Indian Accounting Standards as notified under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and the other accounting principles generally accepted in India;
- (b) “**Amalgamated Company**” or “**Demerged Company**” or “**Bharti Airtel**” means Bharti Airtel Limited, a public limited company incorporated on July 7, 1995 under the Companies Act, 1956, having its registered office at Airtel Center, Plot No. 16, Udyog Vihar, Phase-IV, Gurgaon, Haryana – 122015. The equity shares of Bharti Airtel are listed on the Stock Exchanges;
- (c) “**Amalgamating Company 1**” means Nettle Infrastructure Investments Limited, an unlisted public limited company incorporated on October 1, 2010, under the Companies Act, 1956, currently having its registered office at Airtel Center, Plot No. 16, Udyog Vihar, Phase-IV, Gurgaon, Haryana - 122015. As on April 14, 2021, the Amalgamated Company and Bharti Airtel Services Limited (a wholly owned subsidiary of the Amalgamated Company), respectively, hold 90% and 10% of the equity share capital of the Amalgamating Company 1;
- (d) “**Amalgamating Company 2**” means Airtel Digital Limited, an unlisted public limited company, incorporated on January 13, 2015, under the Companies Act. As on April 14, 2021, the Amalgamated Company and the Amalgamating Company 1, respectively, hold 56% and 44% of the equity share capital of the Amalgamating Company 2;
- (e) “**Amalgamating Company 3**” means Telesonic Networks Limited, is an unlisted public limited company, incorporated on June 26, 2009, under the Companies Act, 1956, currently having its registered office at Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase - II, New Delhi – 110070. As on April 14, 2021, the Amalgamated Company and Bharti Airtel Services Limited (a wholly owned subsidiary of the Amalgamated Company), respectively, hold 95% and 5% of the Amalgamating Company 3. The Board of the Amalgamating Company 3 has, in its meeting held on March 25, 2021, approved the shifting of the Amalgamating Company 3’s registered office to the State of Haryana and the Amalgamating Company 3 is in the process of undertaking all necessary actions, as per the Companies Act to shift its registered office to the State of Haryana. Filing of the application and the petition pursuant to Sections 230 to 232 of the Companies Act by the Amalgamating Company 3 will be made in the jurisdiction of the NCLT of the new registered office of the Amalgamating Company 3;
- (f) “**Amalgamating Companies**” means collectively, the Amalgamating Company 1, the Amalgamating Company 2 and the Amalgamating Company 3;
- (g) “**Amalgamating Company 1 Asset(s)**” means assets or properties of every kind, nature, character and description, whether immovable, movable, tangible, intangible, whether owned or leased or otherwise acquired by the Amalgamating Company 1;
- (h) “**Amalgamating Company 2 Asset(s)**” means assets or properties of every kind, nature, character and description, whether immovable, movable, tangible, intangible, whether owned or leased or otherwise acquired by the Amalgamating Company 2;



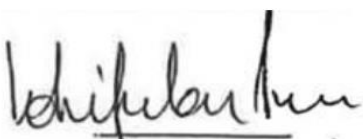
- (i) **“Amalgamating Company 3 Asset(s)”** means assets or properties of every kind, nature, character and description, whether immovable, movable, tangible, intangible, whether owned or leased or otherwise acquired by the Amalgamating Company 3;
- (j) **“Amalgamating Company 1 Proceedings”** shall have the meaning ascribed to such term in Clause 6.1 of Part II of this Scheme;
- (k) **“Amalgamating Company 2 Proceedings”** shall have the meaning ascribed to such term in Clause 6.1 of Part III of this Scheme;
- (l) **“Amalgamating Company 3 Proceedings”** shall have the meaning ascribed to such term in Clause 6.1 of Part IV of this Scheme;
- (m) **“Applicable Laws”** or **“Laws”** means: (i) all applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines or policies of any applicable country and/ or jurisdiction; (ii) administrative interpretation, writ, injunction, directions, directives, judgment, arbitral award, decree, orders or approvals of, or agreements with, any Appropriate Authority; and (iii) international treaties, conventions and protocols, as may be in force from time to time;
- (n) **“Appropriate Authority(ies)”** means any national, state, provincial, local or similar governmental, statutory, regulatory, administrative authority, agency, commission, departmental or public body or authority, board, branch, tribunal or court or other entity authorized to make laws, rules, regulations, standards, requirements, procedures or to pass directions or orders, in each case having the force of law, or any non-governmental regulatory or administrative authority, body or other organization to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of law, or any stock exchange in India or any other country including the RoC, Regional Director, Official Liquidator, DoT, DoS, CCI, Reserve Bank of India, SEBI, Stock Exchanges, NCLT, Telecom Disputes Settlement and Appellate Tribunal, as applicable and such other sectoral regulators or authorities as may be applicable;
- (o) **“Appointed Date”** means the Effective Date;
- (p) **“Bharti Airtel Equity Shares”** means fully paid-up equity shares of Bharti Airtel of face value Rs. 5/- (Indian Rupees Five only) each;
- (q) **“Board of Directors”** or **“Board”** means the respective board of directors of the Companies and shall, unless repugnant to the context, include a committee of directors or any person authorized by the Board or such committee of directors;
- (r) **“Cash”** means and includes the aggregate amount in respect of the following items, including without limitation: (i) cash and bank balances; (ii) securities held by or on behalf of the Demerged Company which are readily convertible into cash (i.e. cash equivalents); (iii) fixed deposit receipts and any interest accrued thereon; and (iv) any other cash equivalent;
- (s) **“CCI”** means the Competition Commission of India;
- (t) **“CCPS”** means fully paid-up non-cumulative, non-participating, compulsorily and fully convertible preference shares of the Resulting Company of face value Rs. 100/- (Indian Rupees One Hundred only) each and having the terms set forth in **Schedule 1** of this Scheme;
- (u) **“Companies”** means collectively, the Amalgamated Company/ Demerged Company, the Amalgamating Company 1, the Amalgamating Company 2, the Amalgamating Company 3 and the Resulting Company;



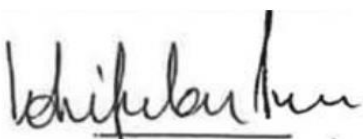
- (v) “**Companies Act**” means the Companies Act, 2013, together with the rules and regulations, circulars, notifications and clarifications issued thereunder, and as amended from time to time;
- (w) “**Demerged Company Asset(s)**” means assets (including Cash and reserves, if any) or properties of every kind, nature, character and description, whether immovable, movable, tangible, intangible, whether owned or leased or otherwise acquired by the Demerged Company, as more particularly provided under **Schedule 2** of this Scheme;
- (x) “**DoS**” means the Department of Space, Indian Space Research Organisation, Government of India;
- (y) “**DoT**” means the Department of Telecommunications, Ministry of Communication, Government of India;
- (z) “**DoT Bank Guarantees**” means any and all bank guarantees provided by Bharti Airtel to DoT pertaining to the Telecom Business, including but not limited to guarantees provided by Bharti Airtel to DoT in terms of any notice inviting application issued by DoT and/ or any Telecom License or as may be identified by Bharti Airtel;
- (aa) “**DoT Merger Guidelines**” means Guidelines for Transfer/ Merger of various categories of telecommunication service licenses/ authorisation under unified license on compromises, arrangements and amalgamation of companies issued by the DoT on February 20, 2014, as amended from time to time;
- (bb) “**Effective Date**” means the date on which this Scheme comes into effect in accordance with Clause 3 of Part VI of this Scheme. References in this Scheme to the date of “*coming into effect of this Scheme*” or “*this Scheme coming into effect*” shall be construed accordingly;
- (cc) “**Effective Date FMV**” shall have the meaning ascribed to such term in Clause 4.2 of Part VI of this Scheme;
- (dd) “**Excluded Litigation**” means such litigations that are instituted or pending against the Demerged Company and which under Applicable Law cannot be transferred/ continued against the Resulting Company;
- (ee) “**FCCB**” means U.S Dollar 1,000,000,000, US Dollar denominated 1.50% convertible foreign currency convertible bonds, issued by Bharti Airtel, due on February 17 .2025, bearing Reg S Bonds ISIN No.: USY0889VAB63 and 144 A Bonds ISIN No. US08860HAB06;
- (ff) “**Intellectual Property**” means all intellectual properties including trademarks, service marks, logos, trade names, domain names, database rights, design rights, rights in know-how, trade secrets, copyrights, moral rights, confidential processes, patents, inventions and any other intellectual property or proprietary rights (including rights in computer software) pertaining to the Amalgamating Companies or to the Telecom Business Undertaking of the Demerged Company;
- (gg) “**IT Act**” means the Income-tax Act, 1961, as amended from time to time;
- (hh) “**Liability(ies)**” means liabilities of every kind, nature and description (including liabilities arising from Spectrum and Telecom Licenses), whether present or future, whether or not required to be reflected on a balance sheet in accordance with applicable accounting standards (including Accounting Standards) and includes contingent liabilities, secured loans, unsecured loans, borrowings, statutory liabilities (including those under taxation laws and stamp duty laws), contractual liabilities, duties, obligations, guarantees and those arising out of proceedings of any nature;

- (ii) “**Mandatory Conversion Date**” shall have the meaning ascribed to such term in Paragraph 6.2 of Schedule I of this Scheme;
- (jj) “**NCLT**” means the National Company Law Tribunal, Chandigarh Bench and shall include, if applicable, such other forum or authority as may be vested with the powers of the NCLT under the Companies Act;
- (kk) “**Outstanding Shares**” shall have the meaning ascribed to such term in Clause 10.3 of Part V of this Scheme;
- (ll) “**Prevailing Fair Market Value**” shall have the meaning ascribed to such term in Clause 4.2 of Part VI of this Scheme;
- (mm) “**Record Date**” shall mean a date, as may be determined by the Board of the Demerged Company, for the purpose of determining the shareholders of the Demerged Company to whom the CCPS of the Resulting Company will be issued and allotted and/ or cash consideration paid in accordance with Clauses 10.2 and 10.4 of Part V of this Scheme;
- (nn) “**Resulting Company**” means Airtel Limited, a newly incorporated unlisted public limited company, under the Companies Act, having its registered office at Airtel Center, Plot No. 16, Udyog Vihar, Phase-IV Gurgaon, Haryana - 122015. The Resulting Company is a newly incorporated company and as on April 14, 2021, it is a wholly owned subsidiary of Amalgamating Company 2;
- (oo) “**Resulting Company Allottees**” shall have the meaning ascribed to such term in Clause 10.4 of Part V of this Scheme;
- (pp) “**Residual Business**” means the remaining activities, assets, business, contracts, employees and Liabilities (actual and contingent) of the Demerged Company that are not part of the Telecom Business Undertaking (including the dark fibre purchased by the Demerged Company from third party providers, captive tower infrastructure and the associated registration certificate(s) for infrastructure provider category-I (IP-I)), as may be determined by the Board of the Demerged Company along with the activities, assets, business, contracts, employees and Liabilities (actual and contingent) of the Amalgamating Companies;
- (qq) “**Retained Liabilities**” shall have the meaning ascribed to such term in Clause 3.2 of Part V of this Scheme;
- (rr) “**RoC**” means the Registrar of Companies, NCT of Delhi & Haryana;
- (ss) “**Rs.**” or “**INR**” means Indian Rupees;
- (tt) “**Scheme**” means this composite scheme of arrangement between the Amalgamated Company/ Demerged Company, the Amalgamating Company 1, the Amalgamating Company 2, the Amalgamating Company 3 and the Resulting Company and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act in its present form, or with any modification(s), as may be approved or directed by the NCLT;
- (uu) “**SEBI**” means the Securities and Exchange Board of India;
- (vv) “**Share Entitlement Ratio**” shall have the meaning ascribed to such term in Clause 10.2 of Part V of this Scheme;
- (ww) “**Small NR Shareholders**” shall have the meaning ascribed to such term in Clause 10.7 of Part V of this Scheme;

- (xx) **“Spectrum”** means the spectrum held by the Demerged Company as on the Appointed Date. The current details of the spectrum as on April 14, 2021 are set out in **Schedule 3** of this Scheme;
- (yy) **“Stock Exchanges”** means collectively BSE Limited and the National Stock Exchange of India Limited;
- (zz) **“Taxes”** or **“Tax”** or **“Taxation”** means: (i) all forms of direct tax and indirect tax, levy, duty (including stamp duty), charge, impost, withholding or other amount whenever or wherever created or imposed under Applicable Laws; and (ii) all charges, interest, penalties and fines (by whatever name called) incidental or relating to any Tax falling within (i) above or which arise as a result of the failure to pay any Tax on the due date or to comply with any obligation relating to Tax;
- (aaa) **“Telecom Business”** means the business of the Demerged Company in relation to telecommunication business, including but not limited to telecommunication services involving product offerings such as 2G, 3G and 4G wireless services, mobile commerce, fixed line services, high-speed home broadband, enterprise services including national and international long distance services to carriers;
- (bbb) **“Telecom Business Undertaking”** means the entire Telecom Business undertaking, activities and operations of the Demerged Company to be transferred to the Resulting Company as a going concern with effect from the Appointed Date and more particularly set out in **Schedule 2** of this Scheme. Without prejudice and limitation to the generality of the above, the Telecom Business Undertaking means and includes without limitation, the following items:
- (i) all Demerged Company Assets used by the Demerged Company primarily in connection with the Telecom Business wherever situated, including but not limited to:
- A. the Spectrum allocated in relation to the Telecom Business Undertaking;
 - B. all Telecom Licences;
 - C. various resources granted by the DoT in relation to the Telecom Business including but not limited to, frequencies for microwave backhaul (MW access and backbone carriers), access codes, MSC codes, MCC and MNC codes, SP codes, ISP codes, mobile numbering series, location routing number (LRN) codes, telemarketing numbers, clearances certificates issued by the Standing Advisory Committee on radio Frequency Allocation (SACFA), wireless operating licences, NOCC clearances, coverage test certificates towards compliance to roll-out obligations, other relevant licences/ permissions for access spectrum, import licences, other administratively assigned frequencies, etc.;
 - D. all current and non-current assets, deposits including accrued interest, loans and advances, accrued to, or available with, the Demerged Company as on the Appointed Date;
 - E. the base station transmitting and/or receiving equipment and other active equipment installed at any site, which is primarily used by the Demerged Company for operating the Telecom Business, including base station controllers, switches, packet core, router and switches, Mobility IN/HLR/VAS, antennas, microwave dishes, wireless cable runs, panels, conduits, radio, amplifiers, filters and other transmission or communications



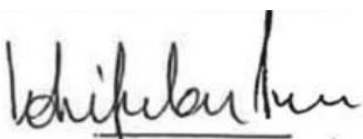
- equipment (including microwave transmitters operating in licensed band allocated for mobile networks, receivers and accessories);
- F. plant and machinery, utilities, vehicles, furniture, office equipment, appliances, accessories, information technology and related infrastructure used by the Demerged Company primarily in the operations of the Telecom Business Undertaking;
- G. all Intellectual Property and goodwill used primarily in relation to the Telecom Business;
- H. the past track record, experience, credentials, market share, subscribers of the Telecom Business of the Demerged Company; and
- I. any other asset specifically allocated by the Board of Directors of the Demerged Company as relating to or belonging to the Telecom Business.
- (ii) all Telecom Business Related Liabilities and no other Liabilities;
- (iii) all Transferring Employees;
- (iv) all Transferring Litigations;
- (v) any and all statutory and regulatory approvals, permissions, clearances, licenses agreements, permissions, rights, approvals or consents, all assignments and grants thereof, all permits, clearances and registrations by whatever name called, whether under central, state or other laws and/ or rules or whether granted by any municipal body/ authority, panchayat body/ authority or any other authority, to carry on the operations of the Telecom Business (including the Telecom Licenses as more particularly specified under **Schedule 4** of this Scheme), authorization, Spectrum, and any other licenses, approvals, clearances, permissions, authorities, quotas, allocations granted to the Demerged Company, all municipal approvals, permission for establishing cellular towers (including cell site licenses) or receiving stations or any broadband and/ or approvals for bandwidth, wireless access network, and any other licenses, authorization, approvals, clearances, registrations, permissions, authorities, allocations including but not limited to coverage test certificates, lawful interception clearances for various services, products, etc., approvals related to launch of mobile services and other service authorization permissions, EMF test certificates, remote access permissions, clearance for cable landing stations, clearance for International Long Distance Gateway, NOCC clearances, various security clearances including security policy filed with the DoT and audit certificates, permissions for various products/services and other miscellaneous approvals, etc. used by the Demerged Company primarily in owning or operating the Telecom Business;
- (vi) all rights (including rights/obligations under agreement(s) entered into with various persons including independent consultants, subsidiaries/ associate/joint venture companies and other shareholders of such subsidiary/ associate/joint venture companies, contracts, applications, letters of intent, memorandum of understandings or any other contracts including all contracts/ purchase orders with customers and all contracts/ purchase orders with vendors), non-disposal undertakings, certifications and approvals, regulatory approvals, entitlements, other licenses, consents, tenancies, investments and/ or interest (whether vested, contingent or otherwise), advances, recoverables, receivables, advantages, hire purchase and lease arrangements, funds belonging to or proposed to be utilised for the Telecom Business, privileges, all other claims, rights and benefits, powers and facilities of every kind, nature and description



whatsoever, utilities, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Telecom Business;

- (vii) all books, records, files, papers, governance templates and process information, records of standard operating procedures, computer programmes along with their licenses, manuals and backup copies, advertising materials, and other data and records whether in physical or electronic form, directly or indirectly in connection with or relating to the Telecom Business;
 - (viii) specified Tax benefits, Tax claims of any nature whatsoever, CENVAT credits, goods and services tax credits, other indirect Tax credits, brought forward accumulated tax losses, unabsorbed depreciation, privileges, advantages, benefits, other recoverables (including but not limited to reversed goods and services tax credit), refunds (pending clearance or disputed) and all other rights and facilities of every kind, nature and description, whatsoever, in relation to the foregoing and pertaining to the Telecom Business; and
 - (ix) all deposits and balances with Appropriate Authorities and any other persons, earnest money and/or security deposits paid by the Demerged Company directly or indirectly in connection with or relating to the Telecom Business Undertaking, by way of Cash, deposits, bank guarantees including without limitation the DoT Bank Guarantees, etc. which shall be substituted by the Resulting Company.
 - (x) It is clarified that the Telecom Business Undertaking shall not include certain identified shared information technology assets, which shall remain with the Demerged Company.
- (ccc) **“Telecom Business Related Liabilities”** means all Liabilities relating to the Telecom Business Undertaking, as may be determined by the Board of the Demerged Company, determined and identified after due consideration of the applicable provisions of Section 2(19AA) of the IT Act, and includes without limitation:
- (i) Liabilities in connection with or pertaining or relatable to the Telecom Business Undertaking of every kind, nature and description, whether provided for or disclosed or not in the books of accounts of the Demerged Company, as on the Appointed Date (including Liabilities of the DoT pertaining to the Telecom Business);
 - (ii) the specific loans or borrowings (including debentures, if any, raised, incurred and utilized solely for the activities or operations) of the Telecom Business Undertaking; and
 - (iii) general or multipurpose borrowings, if any, of the Demerged Company will be apportioned basis the proportion of the value of the assets transferred in this demerger of Telecom Business to the total value of the assets of the Demerged Company immediately before the said demerger.

The mechanics for transfer/ redemption/ conversion of FCCBs to give effect to the provisions of the Scheme, shall be based on related legal and contractual considerations, and shall be jointly agreed between the Demerged Company, Resulting Company and other relevant parties, including the FCCB holders (if required). Based on such considerations, obligation to redeem/ repay/ convert the FCCB may continue with the Demerged Company after the Effective Date. In such case, the Resulting Company may agree and undertake to meet and discharge the entire economic liability in relation to such FCCBs forming part of the Telecom Business Undertaking, to the Demerged Company. It is clarified that the Demerged Company



and the Resulting Company shall enter into such arrangements with respect to the FCCB documentation and undertake requisite obligations, as may be mutually agreed between the various parties, including the FCCB holders (if required), to give effect to the provisions of this Scheme.

Any issue as to whether any asset or Liability and/ or employee pertain to or is relatable to the Telecom Business Undertaking or not, along with the terms of such transfer/ assignment/ retention, shall be decided by the Board of Directors of the Demerged Company. The Telecom Business Related Liabilities, as on December 31, 2020, as currently determined, is more particularly provided under **Schedule 2** of this Scheme;

- (ddd) **“Telecom License(s)”** means any and all licences/ authorizations granted under Section 4 of the Indian Telegraph Act, 1885, held by the Demerged Company as on the Appointed Date or as may be identified by Bharti Airtel and all telecom licence(s) or authorization(s) or registration(s) pertaining to the Telecom Business including any license(s), authorization(s) or registration(s) that may be held by the Demerged Company as on the Appointed Date. The current details of the telecom license(s) as on April 14, 2021 are set out in **Schedule 4** of this Scheme;
- (eee) **“Threshold Number”** shall have the meaning ascribed to such term in Clause 10.4(b) of Part V of this Scheme;
- (fff) **“Transfer Notice”** shall have the meaning ascribed to such term in Clause 4.1 of Part VI of this Scheme;
- (ggg) **“Transferring Employees”** means the employees of the Demerged Company that are engaged in or who relate to the Telecom Business Undertaking and as maybe identified by the Demerged Company; and
- (hhh) **“Transferring Litigation”** means all civil, legal or other proceedings in relation to the Telecom Business Undertaking, except the Excluded Litigations.

2. SHARE CAPITAL

- 2.1 The capital structure of Amalgamated Company/ Demerged Company/ Bharti Airtel, as on April 14, 2021, is as under:

Share Capital	Amount (in Rs.)
Authorised Capital	
29,55,59,80,000 equity shares of Rs. 5/- each.	1,47,77,99,00,000
1,000 preference shares of Rs. 100/- each.	1,00,000
Total	1,47,78,00,00,000
Issued, Subscribed and Paid-up Share Capital	
5,49,20,27,268 equity shares of Rs. 5/- each.	27,46,01,36,340
Total	27,46,01,36,340

- 2.2 The capital structure of the Amalgamating Company 1, as on April 14, 2021, is as under:

Share Capital	Amount (in Rs.)
Authorised Capital	
50,000 equity shares of Rs. 10/- each.	5,00,000
Total	5,00,000
Issued, Subscribed and Paid-up Share Capital	
50,000 equity shares of Rs. 10/- each.	5,00,000
Total	5,00,000

2.3 The capital structure of the Amalgamating Company 2, as on April 14, 2021, is as under:

Share Capital	Amount (in Rs.)
Authorised Capital	
90,000 equity shares of Rs. 10/- each.	9,00,000
Total	9,00,000
Issued, Subscribed and Paid-up Share Capital	
89,286 equity shares of Rs. 10/- each.	8,92,860
Total	8,92,860

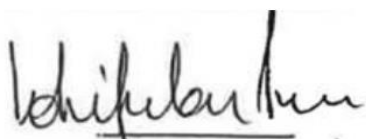
2.4 The capital structure of the Amalgamating Company 3, as on April 14, 2021, is as under:

Share Capital	Amount (in Rs.)
Authorised Capital	
9,50,00,000 equity shares of Rs. 10/- each.	95,00,00,000
Total	95,00,00,000
Issued, Subscribed and Paid-up Share Capital	
9,39,27,154 equity shares of Rs. 10/- each.	93,92,71,540
Total	93,92,71,540

2.5 The capital structure of the Resulting Company, as on April 14, 2021, is as under:

Share Capital	Amount (in Rs.)
Authorised Capital	
10,000 equity shares of Rs. 10/- each.	1,00,000
Total	1,00,000
Issued, Subscribed and Paid-up Share Capital	
10,000 equity shares of Rs. 10/- each.	1,00,000
Total	1,00,000

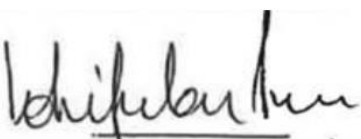
Bharti Airtel and/ or its (direct or indirect) wholly owned subsidiaries shall subscribe to, and the Resulting Company shall, issue and allot to Bharti Airtel and/ or its (direct or indirect) wholly owned subsidiaries 49,87,40,000 equity shares at Rs. 10/- per equity share, fully paid, at anytime on or prior to the Effective Date.



PART II

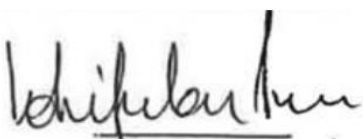
AMALGAMATION OF THE AMALGAMATING COMPANY 1 WITH AND INTO THE AMALGAMATED COMPANY

- 1. Transfer and vesting of the Amalgamating Company 1 with and into the Amalgamated Company**
 - 1.1 Upon the Effective Date and with effect from the Appointed Date, the Amalgamating Company 1 shall stand amalgamated with the Amalgamated Company and all its Amalgamating Company 1 Assets, Liabilities, interests and obligations, as applicable, be transferred and vested in the Amalgamated Company on a going concern basis without any requirement of a further act or deed so as to become as and from the Appointed Date, the assets, Liabilities, interests and obligations, as applicable, of the Amalgamated Company.
- 2. Transfer of Amalgamating Company 1 Assets**
 - 2.1 Upon the Effective Date and with effect from the Appointed Date, all Amalgamating Company 1 Assets, as are movable in nature or are incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery shall stand transferred to and vested in the Amalgamated Company and shall become the property and an integral part of the Amalgamated Company (to the extent permissible under Applicable Law). The vesting pursuant to this Clause 2.1 of this Part II shall be deemed to have occurred by manual delivery or endorsement and delivery, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.
 - 2.2 Upon the Effective Date and with effect from the Appointed Date, all movable Amalgamating Company 1 Assets, other than those specified in Clause 2.1 of this Part II above, including Cash, sundry debtors, outstanding loans and advances, if any, recoverable in Cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons shall without any requirement of a further act, instrument or deed become the property of the Amalgamated Company.
 - 2.3 Upon the Effective Date and with effect from the Appointed Date, any and all immovable properties (including land together with the buildings and structures standing thereon) of the Amalgamating Company 1, whether freehold or leasehold and any documents of title, rights and easements in relation thereto shall stand transferred to and be vested in the Amalgamated Company, subject to Applicable Law, without any act or deed required by the Amalgamating Company 1 and the Amalgamated Company. Upon the Effective Date and with effect from the Appointed Date, the Amalgamated Company shall be entitled to exercise all rights and privileges and be liable to pay ground rent, Taxes and fulfil all obligations, in relation to or applicable to such immovable properties (if any). The mutation of title to the immovable properties in the name of the Amalgamated Company (if any) shall be made and duly recorded by the Appropriate Authorities pursuant to this Scheme coming into effect in accordance with the terms hereof without any requirement of a further act or deed on part of the Amalgamated Company.
 - 2.4 Without prejudice to the generality of the clauses mentioned above, the Amalgamating Company 1 Assets shall also include all permits, licenses approvals, clearances, authorities, quotas, allocations granted to the Amalgamating Company 1, all municipal approvals, authorizations, statutory rights, permissions, registrations, certificates, consents, authorities (including for the operation of bank accounts), power of attorney (given by, issued to or executed in favour of the Amalgamating Company 1), the concerned licensor and grantors of such approvals, clearances, permissions, approvals, arrangements, authorizations, benefits,



concessions, rights and benefits of all contracts, agreements, allotments, consents, quotas, rights, easements, engagements, exemptions, entitlements, advantages of whatever nature and howsoever named, properties, movable, in possession or reversion, present or contingent of whatsoever nature and where-so-ever situated, liberties, ownerships rights and benefits, earnest moneys payable pertaining to the assets mentioned in the aforesaid clauses, if any, all other rights and benefits, licenses, powers, privileges and facilities of every kind, nature and description whatsoever; right to use and avail of telephones, telexes, facsimile, connections, installations and other communication facilities and equipment, titles, all other utilities, benefits of all agreements, contracts, government contracts, memoranda of understanding, project service agreement, prequalification, applications, bids, tenders, letters of intent, concessions, non-possessory contractual rights or any other contracts, development rights, allocated deferred Tax and all other interest in connection with or relation to the Amalgamating Company 1 on the Appointed Date shall stand transferred to the Amalgamated Company.

- 2.5 Upon the Effective Date and with effect from Appointed Date, all Intellectual Property of the Amalgamating Company 1, shall, without any requirement of any further act or deed stand transferred and vested in the Amalgamated Company. The approval and consent of this Scheme by the shareholders of the Amalgamated Company and the Amalgamating Company 1 shall be deemed to be the approval of the shareholders under Section 188 of the Companies Act and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable provisions of Applicable Law towards the necessary deeds/ documents/ agreements to be executed between the Amalgamated Company and the Amalgamating Company 1 for the transfer to/ use by the Amalgamated Company of the Intellectual Property pertaining to the Amalgamating Company 1.
- 2.6 Upon the Effective Date and with effect from Appointed Date, the Amalgamating Company 1 agrees to execute and deliver, at the request of the Amalgamated Company, all papers and instruments required in respect of all Intellectual Property, to vest such rights, title and interest in the name of the Amalgamated Company and in order to update the records of the respective registries to reflect the name and address of the Amalgamated Company as the current owner of the Intellectual Property.
- 2.7 Upon the Effective Date and with effect from Appointed Date, in relation to the Amalgamating Company 1 Assets (if any), which require separate documents for vesting in the Amalgamated Company, the Amalgamating Company 1 and the Amalgamated Company will execute such deeds, documents or such other instruments, if any, as may be mutually agreed.
- 2.8 Upon the Effective Date and with effect from Appointed Date, the past track record of the Amalgamating Company 1 including without limitation, the profitability, experience, credentials and market share, shall be deemed to be the track record of the Amalgamated Company for all commercial and regulatory purposes including for the purposes of eligibility, standing, evaluation and participation of the Amalgamated Company in all existing and future bids, tenders and contracts of all authorities, agencies and clients.
- 2.9 Upon the Effective Date, the secured creditors of the Amalgamated Company, if any, shall continue to be entitled to security only over such properties and assets forming part of the Amalgamated Company, as existing immediately prior to the amalgamation of the Amalgamating Company 1 into and with the Amalgamated Company and the secured creditors of the Amalgamating Company 1, if any, shall continue to be entitled to security only over such properties, assets, rights, benefits and interest of the Amalgamating Company 1, as existing immediately prior to the amalgamation of the Amalgamating Company 1 with and into the Amalgamated Company. For the avoidance of doubt, it is clarified that all the

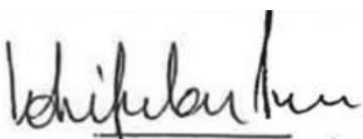


Amalgamating Company 1 Assets and the unencumbered assets of the Amalgamated Company shall, subject to Applicable Laws, remain free and available for the creation of any security thereon in the future in relation to any existing indebtedness or new indebtedness that may be incurred by the Amalgamated Company, at the discretion of the Board of the Amalgamated Company. For this purpose, no further consent from the existing creditors shall be required and sanction of this Scheme shall be considered as a specific consent of such secured creditors.

- 2.10 The Amalgamated Company shall, at any time after the Effective Date and as the successor entity of the Amalgamating Company 1, if so required under Applicable Law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement, including any filings with the Appropriate Authorities, in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions hereof, be deemed to be authorised to execute any such writings in the name of and on behalf of the Amalgamating Company 1 and to carry out or perform all such formalities or compliances referred to above, on the part of the Amalgamating Company 1, *inter alia*, in its capacity as the successor-in-interest of the Amalgamating Company 1.
- 2.11 The Amalgamated Company shall, at any time after the Effective Date, if so required under Applicable Law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the Amalgamating Company 1. For the avoidance of doubt, it is clarified that if the consent of any third party or Appropriate Authority, if any, is required to give effect to the provisions of this Clause 2.11 of this Part II, the said third party or Appropriate Authority shall make and duly record the necessary substitution/ endorsement in the name of the Amalgamated Company pursuant to the sanction of this Scheme by the NCLT, and upon the Effective Date. The Amalgamated Company shall file appropriate applications/ documents with the Appropriate Authorities concerned for information and record purposes and the Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Amalgamating Company 1 and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

3. Transfer of Liabilities

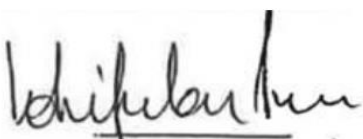
- 3.1 Upon the Effective Date and with effect from Appointed Date, all Liabilities of the Amalgamating Company 1, shall, without any requirement of further act or deed, be transferred to, or be deemed to be transferred to the Amalgamated Company so as to become from the Appointed Date, the Liabilities of the Amalgamated Company and the Amalgamated Company undertakes to meet, discharge and satisfy the same.
- 3.2 It is hereby clarified that, unless expressly provided for under the arrangements with respective third parties, it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts and Liabilities have arisen, in order to give effect to the provisions of Clause 3 of this Part II.
- 3.3 Upon the Effective Date and with effect from Appointed Date, all loans raised and used, if any, and Liabilities incurred, if any, by the Amalgamating Company 1 after the Appointed Date shall be deemed to be transferred to, and discharged by the Amalgamated Company without any requirement of a further act or deed.
- 3.4 The vesting of the Amalgamating Company 1, as aforesaid, shall be subject to the existing securities, charges, hypothecation and mortgages, if any, subsisting in relation to any loans or borrowings of the Amalgamating Company 1, provided, however, any reference in any security documents or arrangements to which the Amalgamating Company 1 is a party,



wherein the Amalgamating Company 1 Assets have been or are offered or agreed to be offered as securities for any financial assistance or obligations, shall be construed as a reference to only the Amalgamating Company 1 Assets, as are vested in the Amalgamated Company as per Part II of this Scheme, to the end and intent that any such security, charge, hypothecation and mortgage shall not extend or be deemed to extend to any of the other Amalgamating Company 1 Assets of the Amalgamating Company 1 or any of the Amalgamating Company 1 Assets of the Amalgamated Company. Provided further that the securities, charges, hypothecation and mortgages (if any subsisting) over and in respect of the Amalgamating Company 1 Assets or any part thereof of the Amalgamated Company shall continue with respect to such Amalgamating Company 1 Assets or part thereof and this Scheme shall not operate to enlarge such securities, charges, hypothecation and mortgages.

4. Transfer of Contracts, Deeds, Bonds and Other Instruments

- 4.1 Upon the Effective Date and with effect from the Appointed Date and subject to the provisions of this Scheme, all contracts, deeds, bonds, lease deeds, agreements entered into with various persons, arrangements and other instruments of whatsoever nature in relation to the Amalgamating Company 1 and to which the Amalgamating Company 1 is a party or to the benefit of which the Amalgamating Company 1 may be eligible, and which are subsisting or have effect as on the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, of the Amalgamated Company and may be enforced as fully and effectually as if, instead of the Amalgamating Company 1, the Amalgamated Company had been a party or beneficiary or obligee thereto or thereunder, in all cases subject to the terms and provisions of such contracts, deeds, bonds, lease deeds, agreements, arrangements or instruments.
- 4.2 Without prejudice to the other provisions of this Scheme, at any time after the Effective Date, if so required, under any Applicable Law or otherwise, execute deeds, confirmations or other writings or arrangements with any party to any contract or arrangement to which the Amalgamating Company 1 is a party or any writings as may be necessary to be executed merely in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Amalgamating Company 1 and to carry out or perform all such formalities or compliances referred to above on the part of the Amalgamating Company 1 to be carried out or performed.
- 4.3 Without prejudice to the generality of the foregoing, it is clarified that upon the Effective Date and with effect from Appointed Date, all consents, agreements, permissions, all statutory or regulatory licences, certificates, insurance covers, clearances, authorities, power of attorney given by, issued to or executed in favour of the Amalgamating Company 1 shall stand transferred to the Amalgamated Company, as if the same were originally given by, issued to or executed in favour of the Amalgamated Company, and the Amalgamated Company 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 Amalgamated Company. In so far as the various incentives, subsidies, schemes, special status and other benefits or privileges enjoyed, granted by any governmental body, local authority, or by any other person, or availed by the Amalgamating Company 1 are concerned, the same shall vest with and be available to the Amalgamated Company on the same terms and conditions as applicable to the Amalgamating Company 1, as if the same had been allotted and/or granted and/ or sanctioned and/ or allowed to the Amalgamated Company.
- 4.4 The approval and consent of this Scheme by the shareholders of the Amalgamating Company 1 and the Amalgamated Company shall be deemed to be the approval of their shareholders under Section 188 of the Companies Act and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all



other applicable provisions of Applicable Law towards the necessary deeds/ documents/ agreements to be executed between the Amalgamating Company 1 and the Amalgamated Company pertaining to this Scheme or in connection with the implementation of this Scheme.

5. Transfer of Employees

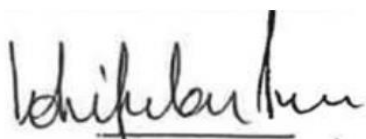
- 5.1 Upon the Effective Date and with effect from the Appointed Date, all employees of the Amalgamating Company 1 as on the Effective Date shall be deemed to have become employees of the Amalgamated Company, without any interruption of service and on the basis of continuity of service and terms and conditions no less favourable than those applicable to them with reference to the Amalgamating Company 1, on the Effective Date. The services of such employees with the Amalgamating Company 1, up to the Effective Date, shall be taken into account for the purposes of all benefits to which the employees may be eligible under Applicable Law.
- 5.2 Upon the Effective Date and with effect from the Appointed Date, all contributions to funds and schemes in respect of provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme or any other special schemes or benefits created or existing for the benefit of such employees of the Amalgamating Company 1 shall be made by the Amalgamated Company in accordance with the provisions of such schemes or funds and Applicable Law.
- 5.3 Subject to Applicable Law, the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, the staff welfare scheme and any other schemes or benefits created by the Amalgamating Company 1 for the employees shall be continued on the same terms and conditions and be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Amalgamated Company without any separate act or deed/ approval.

6. Continuation of Legal Proceedings

- 6.1 From the Effective Date, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Amalgamating Company 1, whether pending on the Appointed Date, or which may be instituted any time in the future (irrespective of whether they relate to periods on or prior to the Appointed Date) and in each case relating to the Amalgamating Company 1 (“**Amalgamating Company 1 Proceedings**”) shall be continued and enforced by or against the Amalgamated Company after the Effective Date, to the extent permissible under Applicable Laws.
- 6.2 If any Amalgamating Company 1 Proceeding(s) is/ are pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of this Scheme and the proceedings may be continued, prosecuted and enforced, by or against the Amalgamated Company in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Amalgamating Company 1, as if this Scheme had not been made.

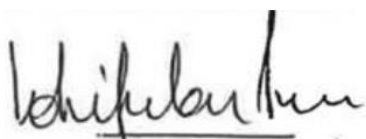
7. Treatment of Taxes and Charges payable

- 7.1 Upon the Effective Date and with effect from the Appointed Date, all Taxes and duties payable by the Amalgamating Company 1 (including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, State sales tax laws, Central Sales Tax Act, 1956, value added tax/ service tax/ goods and services tax and all other Applicable Laws), accruing and relating to the Amalgamating Company 1 from the Appointed Date onwards, including but not limited to advance Tax payments, Tax deducted at source, minimum alternate Tax, any refund and



claims shall, for all purposes, be treated as advance Tax payments, Tax deducted at source or refunds and claims, as the case may be, of the Amalgamated Company.

- 7.2 Upon the Effective Date and with effect from the Appointed Date, all unutilized credits and exemptions, the benefit of carried forward losses and other statutory benefits, including in respect of income tax (including but not limited to Tax deducted at source, Tax collected at source, advance Tax, minimum alternate Tax credit etc.), CENVAT, customs, value added tax, sales tax, service tax, goods and services tax etc. to which the Amalgamating Company 1 is entitled to shall be available to and vest in the Amalgamated Company, without any requirement of a further act or deed.
- 7.3 Upon the Effective Date, the Amalgamating Company 1 and the Amalgamated Company are permitted to revise and file their respective Tax returns, including income tax returns, withholding tax returns, including tax deducted at source certificates, sales tax/ value added tax returns, service tax returns, goods and services tax returns and other Tax returns for the period commencing on and before the Appointed Date, and to claim refunds/credits, pursuant to the provisions of this Scheme.
- 7.4 Upon the Effective Date, any Tax deposited, certificates issued or returns filed by the Amalgamating Company 1 relating to Amalgamating Company 1 shall continue to hold good as if such amounts were deposited, certificates were issued and returns were filed by the Amalgamated Company.
- 7.5 All the expenses incurred by the Amalgamating Company 1 and the Amalgamated Company in relation to the amalgamation of the Amalgamating Company 1 with the Amalgamated Company as per this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Amalgamated Company in accordance with Section 35DD of the IT Act over a period of 5 (five) years beginning with the previous year in which this Scheme becomes effective.
- 7.6 Any refund, tax credit and adjustment under the Tax laws due to the Amalgamating Company 1 pertaining to the Amalgamating Company 1 consequent to the assessments made on the Amalgamating Company 1 and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall belong to and be received by the Amalgamated Company. The Appropriate Authorities shall be bound to transfer to the account of and give credit for the same to the Amalgamated Company upon the sanction of this Scheme by the NCLT and upon relevant proof and documents being provided to the Appropriate Authorities.
- 7.7 The Amalgamating Company 1 may be entitled to various incentive schemes and pursuant to this Scheme, the benefits under all such schemes and policies pertaining to the Amalgamating Company 1 shall stand transferred to and vested in the Amalgamated Company and all benefits, entitlements and incentives of any nature whatsoever including benefits under various Taxes including the income tax, excise, sales tax, service tax, goods and services tax exemptions, concessions, remissions, subsidies and other incentives in relation to the consumer products business, to the extent statutorily available, shall be claimed by the Amalgamated Company.
- 7.8 This Scheme complies with the conditions relating to “amalgamation” as defined under Section 2(1B) and other relevant sections and provisions of the IT Act and are intended to apply accordingly. If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any of the said provisions (including the conditions set out therein) at a later date, whether as a result of a new enactment or any amendment or coming into force of any provision of the IT Act or any other law or any judicial or executive interpretation or for any other reason whatsoever, this Scheme may be modified to the extent required with the



consent of each of the Companies (acting through their respective Board) to ensure compliance of this Scheme with such provisions.

8. Combination of the Authorized Share Capital of the Amalgamating Company 1 with the Amalgamated Company

8.1 Upon the Effective Date, the authorized share capital of the Amalgamating Company 1, shall be deemed to be added to the authorized share capital of the Amalgamated Company without any requirement of a further act or deed on the part of the Amalgamated Company including payment of stamp duty and fees payable to the RoC, and the memorandum of association and articles of association of the Amalgamated Company (relating to the authorized share capital) and the consent of the shareholders to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 4, 13, 14 and 61 and all other applicable provisions of the Companies Act, if any, would be required passed, as the case may be, and for this purpose, the stamp duties and fees paid by the Amalgamating Company 1 shall be utilized and applied to the increased authorized share capital of the Amalgamated Company and there would be no requirement of any further payment of stamp duty and/ or fee by the Amalgamated Company for increase in the authorized share capital to that extent. Provided that, in relation to the foregoing, if applicable, the Amalgamated Company shall pay the requisite fees on its authorised share capital enhanced by the amalgamation after having made the applicable adjustments, as permitted in terms of Section 232(3)(i) of the Companies Act.

9. Cancellation of existing shares of the Amalgamating Company 1

9.1 Upon the Effective Date, the entire existing issued and paid-up equity share capital of the Amalgamating Company 1, as held by its shareholders and their nominees, shall, without any further application, act, instrument or deed, be automatically cancelled. Consequently, upon the Effective Date, the investments in the equity share capital of the Amalgamating Company 1 appearing in the books of accounts of its shareholders and their nominees shall stand cancelled.

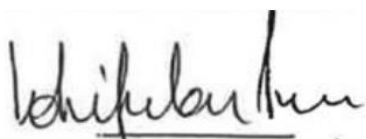
9.2 The cancellation of the equity share capital held by the shareholders of the Amalgamating Company 1 and their nominees, in accordance with Clause 9.1 of this Part II above, shall be effected as a part of this Scheme itself and not under a separate procedure, in terms of Section 66 of the Companies Act, and the order of the NCLT sanctioning this Scheme shall be deemed to be an order under Section 66 of the Companies Act, or any other applicable provisions, confirming the reduction. The consent of the shareholders of the Amalgamating Company 1 and the Amalgamated Company to this Scheme shall be deemed to be the consent of its shareholders for the purpose of effecting the reduction under the provisions of Section 66 of the Companies Act as well and no further compliances would be separately required.

9.3 The Amalgamated Company shall not be required to add the words “and reduced” as a suffix to its name consequent upon the reduction of capital under Clause 9.1 of this Part II above.

9.4 The reduction of capital of the Amalgamated Company, as above, does not involve any diminution of Liability in respect of any unpaid share capital or payment to any shareholder of any paid-up share capital or payment in any other form.

10. Dissolution of the Amalgamating Company 1

10.1 Upon the Effective Date, the Amalgamating Company 1 shall, without any requirement of a further act or deed, stand dissolved without being wound up without any requirement for any further act by the parties, in accordance with the Companies Act and the name of the Amalgamating Company 1 shall be struck off the RoC.



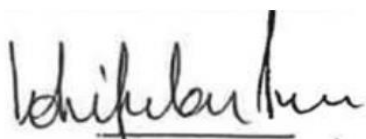
11. Accounting treatment in the books of the Amalgamating Company 1

11.1 As the Amalgamating Company 1 shall stand dissolved without being wound up upon this Scheme becoming effective as mentioned in Clause 10.1 of this Part II of this Scheme and all the assets and liabilities as well as reserves shall be transferred to the Amalgamated Company, on a going concern basis. Hence there is no accounting treatment prescribed under this Scheme in the books of accounts of the Amalgamating Company 1.

12. Accounting treatment in the books of the Amalgamated Company

12.1 Upon this Scheme becoming effective, the Amalgamated Company shall account for the merger of the Amalgamating Company 1 in its books of accounts in accordance with 'Pooling of Interest Method' of accounting as laid down in Appendix-C of Ind-AS 103 (Business combinations of entities under common control) as under:

- (a) The acquired assets and liabilities from the Amalgamating Company 1 would be recorded at their respective carrying amounts as appearing in the respective financial statements (which are equivalent to the carrying amounts as appearing in the consolidated financial statements of the Amalgamated Company) of the Amalgamating Company 1 as on the Effective Date;
- (b) No adjustments will be made to reflect fair values and also no new assets or liabilities will be recognized;
- (c) In case of any differences in the accounting policies between the Amalgamated Company and the Amalgamating Company 1, the impact of the same will be quantified and adjusted in the retained earnings of the Amalgamated Company to ensure that the financial statements of the Amalgamated Company reflect the true financial position on the basis of consistent accounting policies;
- (d) The identity of the reserves (relating to Telecom Business) transferred would be preserved and would appear in the financial statements of the Amalgamated Company in the same form in which they appeared in the financial statements of the Amalgamating Company 1. For example, the general reserve of the Amalgamating Company 1 would be recognised as a general reserve of the Amalgamated Company and the capital reserve of the Amalgamating Company 1 would become the capital reserve of the Amalgamated Company. Accordingly, the reserves which are available for distribution as dividend before the business combination would also be available for distribution as dividend by the Amalgamated Company after the business combination;
- (e) The Amalgamated Company shall cancel the investments pertaining to the Amalgamating Company 1 as per Clause 9.1 of this Part II of this Scheme, against assets, liabilities and reserves acquired from the entity. The difference, if any, between the carrying values of assets, liabilities and reserve balance under Clause 12.1(a) of this Part II above, transferred to the Amalgamated Company and cancellation of investments in lieu of the amalgamation shall be recorded as business restructuring reserve (capital reserve) and presented separately;
- (f) To the extent, there are inter-company balances between the Amalgamated Company and the Amalgamating Company 1, the rights and obligations in respect thereof shall stand cancelled; and
- (g) The financial information in the financial statements in respect of prior periods would be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements of the Amalgamated Company.



13. Conduct of Business

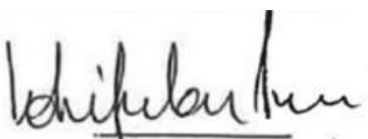
- 13.1 Subject to the effectiveness of this Scheme and with effect from the date of approval of this Scheme by the Board of the Amalgamating Company 1 and the Amalgamated Company, and up to and including the Effective Date, the Amalgamating Company 1 shall carry on the business with reasonable diligence and business prudence and in the same manner as it had been doing hitherto.
- 13.2 The Amalgamated Company shall also be entitled, pending the sanction of this Scheme, to apply to the Appropriate Authorities, wherever necessary, for such consents, approvals and sanctions which the Amalgamated Company may require including the registration, approvals, exemptions, reliefs, etc., as may be required/ granted under Applicable Law for the time being in force for carrying on business.

14. Inter se Transactions

- 14.1 Upon the Effective Date, all *inter se* contracts solely between the Amalgamating Company 1 and the Amalgamated Company shall stand cancelled and cease to operate, and appropriate effect shall be given to such cancellation and cessation in records of the Amalgamated Company.

15. Saving of concluded transactions

- 15.1 The transfer of Amalgamating Company 1 Assets and Liabilities to, and the continuance of proceedings by or against, the Amalgamated Company as envisaged in this Scheme shall not affect any transaction or proceedings already concluded by the Amalgamating Company 1 on or before the Appointed Date to the end and intent that the Amalgamated Company accepts and adopts all acts, deeds and things done and executed by the Amalgamating Company 1 in respect thereto as done and executed on behalf of itself.



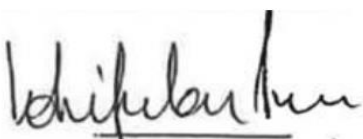
PART III

AMALGAMATION OF THE AMALGAMATING COMPANY 2 WITH AND INTO THE AMALGAMATED COMPANY

- 1. Transfer and vesting of the Amalgamating Company 2 with and into the Amalgamated Company**
 - 1.1 Upon the Effective Date and with effect from the Appointed Date, the Amalgamating Company 2 shall stand amalgamated with the Amalgamated Company and all its Amalgamating Company 2 Assets, Liabilities, interests and obligations, as applicable, be transferred and vested in the Amalgamated Company on a going concern basis without any requirement of a further act or deed so as to become as and from the Appointed Date, the assets, Liabilities, interests and obligations, as applicable, of the Amalgamated Company.
- 2. Transfer of Amalgamating Company 2 Assets**
 - 2.1 Upon the Effective Date and with effect from the Appointed Date, all Amalgamating Company 2 Assets, as are movable in nature or are incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery shall stand transferred to and vested in the Amalgamated Company and shall become the property and an integral part of the Amalgamated Company (to the extent permissible under Applicable Law). The vesting pursuant to this Clause 2.1 of this Part III shall be deemed to have occurred by manual delivery or endorsement and delivery, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.
 - 2.2 Upon the Effective Date and with effect from the Appointed Date, all movable Amalgamating Company 2 Assets, other than those specified in Clause 2.1 of this Part III above, including Cash, sundry debtors, outstanding loans and advances, if any, recoverable in Cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons shall without any requirement of a further act, instrument or deed become the property of the Amalgamated Company.
 - 2.3 Upon the Effective Date and with effect from the Appointed Date, any and all immovable properties (including land together with the buildings and structures standing thereon) of the Amalgamating Company 2, whether freehold or leasehold and any documents of title, rights and easements in relation thereto shall stand transferred to and be vested in the Amalgamated Company, subject to Applicable Law, without any act or deed required by the Amalgamating Company 2 and the Amalgamated Company. Upon the Effective Date and with effect from the Appointed Date, the Amalgamated Company shall be entitled to exercise all rights and privileges and be liable to pay ground rent, Taxes and fulfil all obligations, in relation to or applicable to such immovable properties (if any). The mutation of title to the immovable properties in the name of the Amalgamated Company (if any) shall be made and duly recorded by the Appropriate Authorities pursuant to this Scheme coming into effect in accordance with the terms hereof without any requirement of a further act or deed on part of the Amalgamated Company.
 - 2.4 Without prejudice to the generality of the clauses mentioned above, the Amalgamating Company 2 Assets shall also include all permits, licenses approvals, clearances, authorities, quotas, allocations granted to the Amalgamating Company 2, all municipal approvals, authorizations, statutory rights, permissions, registrations, certificates, consents, authorities (including for the operation of bank accounts), power of attorney (given by, issued to or executed in favour of the Amalgamating Company 2), the concerned licensor and grantors of such approvals, clearances, permissions, approvals, arrangements, authorizations, benefits,

concessions, rights and benefits of all contracts, agreements, allotments, consents, quotas, rights, easements, engagements, exemptions, entitlements, advantages of whatever nature and howsoever named, properties, movable, in possession or reversion, present or contingent of whatsoever nature and where-so-ever situated, liberties, ownerships rights and benefits, earnest moneys payable pertaining to the assets mentioned in the aforesaid clauses, if any, all other rights and benefits, licenses, powers, privileges and facilities of every kind, nature and description whatsoever; right to use and avail of telephones, telexes, facsimile, connections, installations and other communication facilities and equipment, titles, all other utilities, benefits of all agreements, contracts, government contracts, memoranda of understanding, project service agreement, prequalification, applications, bids, tenders, letters of intent, concessions, non-possessory contractual rights or any other contracts, development rights, allocated deferred Tax and all other interest in connection with or relation to the Amalgamating Company 2 on the Appointed Date shall stand transferred to the Amalgamated Company.

- 2.5 Upon the Effective Date and with effect from Appointed Date, all Intellectual Property of the Amalgamating Company 2, shall, without any requirement of any further act or deed stand transferred and vested in the Amalgamated Company. The approval and consent of this Scheme by the shareholders of the Amalgamated Company and the Amalgamating Company 2 shall be deemed to be the approval of the shareholders under Section 188 of the Companies Act and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable provisions of Applicable Law towards the necessary deeds/ documents/ agreements to be executed between the Amalgamated Company and the Amalgamating Company 2 for the transfer to/ use by the Amalgamated Company of the Intellectual Property pertaining to the Amalgamating Company 2.
- 2.6 Upon the Effective Date and with effect from Appointed Date, the Amalgamating Company 2 agrees to execute and deliver, at the request of the Amalgamated Company, all papers and instruments required in respect of all Intellectual Property, to vest such rights, title and interest in the name of the Amalgamated Company and in order to update the records of the respective registries to reflect the name and address of the Amalgamated Company as the current owner of the Intellectual Property.
- 2.7 Upon the Effective Date and with effect from Appointed Date, in relation to the Amalgamating Company 2 Assets (if any), which require separate documents for vesting in the Amalgamated Company, the Amalgamating Company 2 and the Amalgamated Company will execute such deeds, documents or such other instruments, if any, as may be mutually agreed.
- 2.8 Upon the Effective Date and with effect from Appointed Date, the past track record of the Amalgamating Company 2 including without limitation, the profitability, experience, credentials and market share, shall be deemed to be the track record of the Amalgamated Company for all commercial and regulatory purposes including for the purposes of eligibility, standing, evaluation and participation of the Amalgamated Company in all existing and future bids, tenders and contracts of all authorities, agencies and clients.
- 2.9 Upon the Effective Date, the secured creditors of the Amalgamated Company, if any, shall continue to be entitled to security only over such properties and assets forming part of the Amalgamated Company, as existing immediately prior to the amalgamation of the Amalgamating Company 2 into and with the Amalgamated Company and the secured creditors of the Amalgamating Company 2, if any, shall continue to be entitled to security only over such properties, assets, rights, benefits and interest of the Amalgamating Company 2, as existing immediately prior to the amalgamation of the Amalgamating Company 2 with and into the Amalgamated Company. For the avoidance of doubt, it is clarified that all the

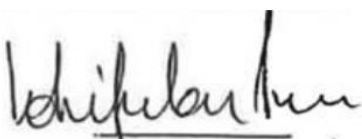


Amalgamating Company 2 Assets and the unencumbered assets of the Amalgamated Company shall, subject to Applicable Laws, remain free and available for the creation of any security thereon in the future in relation to any existing indebtedness or new indebtedness that may be incurred by the Amalgamated Company, at the discretion of the Board of the Amalgamated Company. For this purpose, no further consent from the existing creditors shall be required and sanction of this Scheme shall be considered as a specific consent of such secured creditors.

- 2.10 The Amalgamated Company shall, at any time after the Effective Date and as the successor entity of the Amalgamating Company 2, if so required under Applicable Law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement, including any filings with the Appropriate Authorities, in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions hereof, be deemed to be authorised to execute any such writings in the name of and on behalf of the Amalgamating Company 2 and to carry out or perform all such formalities or compliances referred to above, on the part of the Amalgamating Company 2, *inter alia*, in its capacity as the successor-in-interest of the Amalgamating Company 2.
- 2.11 The Amalgamated Company shall, at any time after the Effective Date, if so required under Applicable Law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the Amalgamating Company 2. For the avoidance of doubt, it is clarified that if the consent of any third party or Appropriate Authority, if any, is required to give effect to the provisions of this Clause 2.11 of this Part III, the said third party or Appropriate Authority shall make and duly record the necessary substitution/ endorsement in the name of the Amalgamated Company pursuant to the sanction of this Scheme by the NCLT, and upon the Effective Date. The Amalgamated Company shall file appropriate applications/ documents with the Appropriate Authorities concerned for information and record purposes and the Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Amalgamating Company 2 and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

3. Transfer of Liabilities

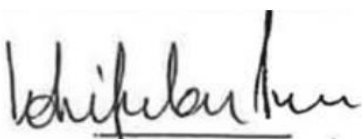
- 3.1 Upon the Effective Date and with effect from Appointed Date, all Liabilities of the Amalgamating Company 2, shall, without any requirement of further act or deed, be transferred to, or be deemed to be transferred to the Amalgamated Company so as to become from the Appointed Date, the Liabilities of the Amalgamated Company and the Amalgamated Company undertakes to meet, discharge and satisfy the same.
- 3.2 It is hereby clarified that, unless expressly provided for under the arrangements with respective third parties, it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts and Liabilities have arisen, in order to give effect to the provisions of Clause 3 of this Part III.
- 3.3 Upon the Effective Date and with effect from Appointed Date, all loans raised and used, if any, and Liabilities incurred, if any, by the Amalgamating Company 2 after the Appointed Date shall be deemed to be transferred to, and discharged by the Amalgamated Company without any requirement of a further act or deed.
- 3.4 The vesting of the Amalgamating Company 2, as aforesaid, shall be subject to the existing securities, charges, hypothecation and mortgages, if any, subsisting in relation to any loans or borrowings of the Amalgamating Company 2, provided, however, any reference in any security documents or arrangements to which the Amalgamating Company 2 is a party,



wherein the Amalgamating Company 2 Assets have been or are offered or agreed to be offered as securities for any financial assistance or obligations, shall be construed as a reference to only the Amalgamating Company 2 Assets, as are vested in the Amalgamated Company as per Part III of this Scheme, to the end and intent that any such security, charge, hypothecation and mortgage shall not extend or be deemed to extend to any of the other Amalgamating Company 2 Assets of the Amalgamating Company 2 or any of the Amalgamating Company 2 Assets of the Amalgamated Company. Provided further that the securities, charges, hypothecation and mortgages (if any subsisting) over and in respect of the Amalgamating Company 2 Assets or any part thereof of the Amalgamated Company shall continue with respect to such Amalgamating Company 2 Assets or part thereof and this Scheme shall not operate to enlarge such securities, charges, hypothecation and mortgages.

4. Transfer of Contracts, Deeds, Bonds and Other Instruments

- 4.1 Upon the Effective Date and with effect from the Appointed Date and subject to the provisions of this Scheme, all contracts, deeds, bonds, lease deeds, agreements entered into with various persons, arrangements and other instruments of whatsoever nature in relation to the Amalgamating Company 2 and to which the Amalgamating Company 2 is a party or to the benefit of which the Amalgamating Company 2 may be eligible, and which are subsisting or have effect as on the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, of the Amalgamated Company and may be enforced as fully and effectually as if, instead of the Amalgamating Company 2, the Amalgamated Company had been a party or beneficiary or obligee thereto or thereunder, in all cases subject to the terms and provisions of such contracts, deeds, bonds, lease deeds, agreements, arrangements or instruments.
- 4.2 Without prejudice to the other provisions of this Scheme, at any time after the Effective Date, if so required, under any Applicable Law or otherwise, execute deeds, confirmations or other writings or arrangements with any party to any contract or arrangement to which the Amalgamating Company 2 is a party or any writings as may be necessary to be executed merely in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Amalgamating Company 2 and to carry out or perform all such formalities or compliances referred to above on the part of the Amalgamating Company 2 to be carried out or performed.
- 4.3 Without prejudice to the generality of the foregoing, it is clarified that upon the Effective Date and with effect from Appointed Date, all consents, agreements, permissions, all statutory or regulatory licences, certificates, insurance covers, clearances, authorities, power of attorney given by, issued to or executed in favour of the Amalgamating Company 2 shall stand transferred to the Amalgamated Company, as if the same were originally given by, issued to or executed in favour of the Amalgamated Company, and the Amalgamated Company 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 Amalgamated Company. In so far as the various incentives, subsidies, schemes, special status and other benefits or privileges enjoyed, granted by any governmental body, local authority, or by any other person, or availed by the Amalgamating Company 2 are concerned, the same shall vest with and be available to the Amalgamated Company on the same terms and conditions as applicable to the Amalgamating Company 2, as if the same had been allotted and/or granted and/ or sanctioned and/ or allowed to the Amalgamated Company.
- 4.4 The approval and consent of this Scheme by the shareholders of the Amalgamating Company 2 and the Amalgamated Company shall be deemed to be the approval of their shareholders under Section 188 of the Companies Act and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all



other applicable provisions of Applicable Law towards the necessary deeds/ documents/ agreements to be executed between the Amalgamating Company 2 and the Amalgamated Company pertaining to this Scheme or in connection with the implementation of this Scheme.

5. Transfer of Employees

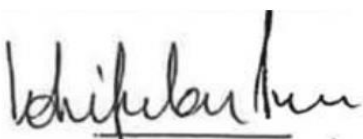
- 5.1 Upon the Effective Date and with effect from the Appointed Date, all employees of the Amalgamating Company 2 as on the Effective Date shall be deemed to have become employees of the Amalgamated Company, without any interruption of service and on the basis of continuity of service and terms and conditions no less favourable than those applicable to them with reference to the Amalgamating Company 2, on the Effective Date. The services of such employees with the Amalgamating Company 2, up to the Effective Date, shall be taken into account for the purposes of all benefits to which the employees may be eligible under Applicable Law.
- 5.2 Upon the Effective Date and with effect from the Appointed Date, all contributions to funds and schemes in respect of provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme or any other special schemes or benefits created or existing for the benefit of such employees of the Amalgamating Company 2 shall be made by the Amalgamated Company in accordance with the provisions of such schemes or funds and Applicable Law.
- 5.3 Subject to Applicable Law, the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, the staff welfare scheme and any other schemes or benefits created by the Amalgamating Company 2 for the employees shall be continued on the same terms and conditions and be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Amalgamated Company without any separate act or deed/ approval.

6. Continuation of Legal Proceedings

- 6.1 From the Effective Date, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Amalgamating Company 2, whether pending on the Appointed Date, or which may be instituted any time in the future (irrespective of whether they relate to periods on or prior to the Appointed Date) and in each case relating to the Amalgamating Company 2 (“**Amalgamating Company 2 Proceedings**”) shall be continued and enforced by or against the Amalgamated Company after the Effective Date, to the extent permissible under Applicable Laws.
- 6.2 If any Amalgamating Company 2 Proceeding(s) is/ are pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of this Scheme and the proceedings may be continued, prosecuted and enforced, by or against the Amalgamated Company in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Amalgamating Company 2, as if this Scheme had not been made.

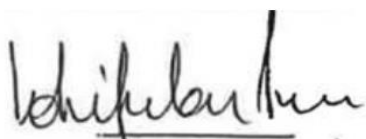
7. Treatment of Taxes and Charges payable

- 7.1 Upon the Effective Date and with effect from the Appointed Date, all Taxes and duties payable by the Amalgamating Company 2 (including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, State sales tax laws, Central Sales Tax Act, 1956, value added tax/ service tax/ goods and services tax and all other Applicable Laws), accruing and relating to the Amalgamating Company 2 from the Appointed Date onwards, including but not limited to advance Tax payments, Tax deducted at source, minimum alternate Tax, any refund and



claims shall, for all purposes, be treated as advance Tax payments, Tax deducted at source or refunds and claims, as the case may be, of the Amalgamated Company.

- 7.2 Upon the Effective Date and with effect from the Appointed Date, all unutilized credits and exemptions, the benefit of carried forward losses and other statutory benefits, including in respect of income tax (including but not limited to Tax deducted at source, Tax collected at source, advance Tax, minimum alternate Tax credit etc.), CENVAT, customs, value added tax, sales tax, service tax, goods and services tax etc. to which the Amalgamating Company 2 is entitled to shall be available to and vest in the Amalgamated Company, without any requirement of a further act or deed.
- 7.3 Upon the Effective Date, the Amalgamating Company 2 and the Amalgamated Company are permitted to revise and file their respective Tax returns, including income tax returns, withholding tax returns, including tax deducted at source certificates, sales tax/ value added tax returns, service tax returns, goods and services tax returns and other Tax returns for the period commencing on and before the Appointed Date, and to claim refunds/credits, pursuant to the provisions of this Scheme.
- 7.4 Upon the Effective Date, any Tax deposited, certificates issued or returns filed by the Amalgamating Company 2 relating to Amalgamating Company 2 shall continue to hold good as if such amounts were deposited, certificates were issued and returns were filed by the Amalgamated Company.
- 7.5 All the expenses incurred by the Amalgamating Company 2 and the Amalgamated Company in relation to the amalgamation of the Amalgamating Company 2 with the Amalgamated Company as per this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Amalgamated Company in accordance with Section 35DD of the IT Act over a period of 5 (five) years beginning with the previous year in which this Scheme becomes effective.
- 7.6 Any refund, tax credit and adjustment under the Tax laws due to the Amalgamating Company 2 pertaining to the Amalgamating Company 2 consequent to the assessments made on the Amalgamating Company 2 and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall belong to and be received by the Amalgamated Company. The Appropriate Authorities shall be bound to transfer to the account of and give credit for the same to the Amalgamated Company upon the sanction of this Scheme by the NCLT and upon relevant proof and documents being provided to the Appropriate Authorities.
- 7.7 The Amalgamating Company 2 may be entitled to various incentive schemes and pursuant to this Scheme, the benefits under all such schemes and policies pertaining to the Amalgamating Company 2 shall stand transferred to and vested in the Amalgamated Company and all benefits, entitlements and incentives of any nature whatsoever including benefits under various Taxes including the income tax, excise, sales tax, service tax, goods and services tax exemptions, concessions, remissions, subsidies and other incentives in relation to the consumer products business, to the extent statutorily available, shall be claimed by the Amalgamated Company.
- 7.8 This Scheme complies with the conditions relating to “amalgamation” as defined under Section 2(1B) and other relevant sections and provisions of the IT Act and are intended to apply accordingly. If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any of the said provisions (including the conditions set out therein) at a later date, whether as a result of a new enactment or any amendment or coming into force of any provision of the IT Act or any other law or any judicial or executive interpretation or for any other reason whatsoever, this Scheme may be modified to the extent required with the



consent of each of the Companies (acting through their respective Board) to ensure compliance of this Scheme with such provisions.

8. Combination of the Authorized Share Capital of the Amalgamating Company 2 with the Amalgamated Company

8.1 Upon the Effective Date, the authorized share capital of the Amalgamating Company 2, shall be deemed to be added to the authorized share capital of the Amalgamated Company without any requirement of a further act or deed on the part of the Amalgamated Company including payment of stamp duty and fees payable to the RoC, and the memorandum of association and articles of association of the Amalgamated Company (relating to the authorized share capital) and the consent of the shareholders to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 4, 13, 14 and 61 and all other applicable provisions of the Companies Act, if any, would be required passed, as the case may be, and for this purpose, the stamp duties and fees paid by the Amalgamating Company 2 shall be utilized and applied to the increased authorized share capital of the Amalgamated Company and there would be no requirement of any further payment of stamp duty and/ or fee by the Amalgamated Company for increase in the authorized share capital to that extent. Provided that, in relation to the foregoing, if applicable, the Amalgamated Company shall pay the requisite fees on its authorised share capital enhanced by the amalgamation after having made the applicable adjustments, as permitted in terms of Section 232(3)(i) of the Companies Act.

9. Cancellation of existing shares of the Amalgamating Company 2

9.1 Upon the Effective Date, the entire existing issued and paid-up equity share capital of the Amalgamating Company 2, as held by its shareholders and their nominees (after the completion of the amalgamation of the Amalgamating Company 1 into the Amalgamated Company pursuant to Part II of this Scheme), shall, without any further application, act, instrument or deed, be automatically cancelled. Consequently, upon the Effective Date, the investments in the equity share capital of the Amalgamating Company 2 appearing in the books of accounts of its shareholders and their nominees shall stand cancelled.

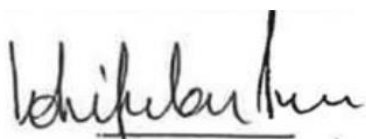
9.2 The cancellation of the equity share capital held by the shareholders of the Amalgamating Company 2 and their nominees, in accordance with Clause 9.1 of this Part III above, shall be effected as a part of this Scheme itself and not under a separate procedure, in terms of Section 66 of the Companies Act, and the order of the NCLT sanctioning this Scheme shall be deemed to be an order under Section 66 of the Companies Act, or any other applicable provisions, confirming the reduction. The consent of the shareholders of the Amalgamating Company 2 and the Amalgamated Company to this Scheme shall be deemed to be the consent of its shareholders for the purpose of effecting the reduction under the provisions of Section 66 of the Companies Act as well and no further compliances would be separately required.

9.3 The Amalgamated Company shall not be required to add the words “and reduced” as a suffix to its name consequent upon the reduction of capital under Clause 9.1 of this Part III above.

9.4 The reduction of capital of the Amalgamated Company, as above, does not involve any diminution of Liability in respect of any unpaid share capital or payment to any shareholder of any paid-up share capital or payment in any other form.

10. Dissolution of the Amalgamating Company 2

10.1 Upon the Effective Date, the Amalgamating Company 2 shall, without any requirement of a further act or deed, stand dissolved without being wound up without any requirement for any



further act by the parties, in accordance with the Companies Act and the name of the Amalgamating Company 2 shall be struck off the RoC.

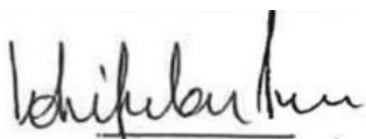
11. Accounting treatment in the books of the Amalgamating Company 2

- 11.1 As the Amalgamating Company 2 shall stand dissolved without being wound up upon this Scheme becoming effective as mentioned in Clause 10.1 of this Part III of this Scheme and all the assets and liabilities as well as reserves shall be transferred to the Amalgamated Company, on a going concern basis. Hence there is no accounting treatment prescribed under this Scheme in the books of accounts of the Amalgamating Company 2.

12. Accounting treatment in the books of the Amalgamated Company

- 12.1 Upon this Scheme becoming effective, the Amalgamated Company shall account for the merger of the Amalgamating Company 2 in its books of accounts in accordance with 'Pooling of Interest Method' of accounting as laid down in Appendix-C of Ind-AS 103 (Business combinations of entities under common control) as under:

- (a) The acquired assets and liabilities from the Amalgamating Company 2 would be recorded at their respective carrying amounts as appearing in the respective financial statements (which are equivalent to the carrying amounts as appearing in the consolidated financial statements of the Amalgamated Company) of the Amalgamating Company 2 as on the Effective Date;
- (b) No adjustments will be made to reflect fair values and also no new assets or liabilities will be recognized;
- (c) In case of any differences in the accounting policies between the Amalgamated Company and the Amalgamating Company 2, the impact of the same will be quantified and adjusted in the retained earnings of the Amalgamated Company to ensure that the financial statements of the Amalgamated Company reflect the true financial position on the basis of consistent accounting policies;
- (d) The identity of the reserves (relating to Telecom Business) transferred would be preserved and would appear in the financial statements of the Amalgamated Company in the same form in which they appeared in the financial statements of the Amalgamating Company 2. For example, the general reserve of the Amalgamating Company 2 would be recognised as a general reserve of the Amalgamated Company and the capital reserve of the Amalgamating Company 2 would become the capital reserve of the Amalgamated Company. Accordingly, the reserves which are available for distribution as dividend before the business combination would also be available for distribution as dividend by the Amalgamated Company after the business combination;
- (e) The Amalgamated Company shall cancel the investments pertaining to the Amalgamating Company 2 as per Clause 9.1 of this Part III of this Scheme, against assets, liabilities and reserves acquired from the entity. The difference, if any, between the carrying values of assets, liabilities and reserve balance under Clause 12.1(a) of this Part III above, transferred to the Amalgamated Company and cancellation of investments in lieu of the amalgamation shall be recorded as business restructuring reserve (capital reserve) and presented separately;
- (f) To the extent, there are inter-company balances between the Amalgamated Company and the Amalgamating Company 2, the rights and obligations in respect thereof shall stand cancelled; and



- (g) The financial information in the financial statements in respect of prior periods would be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements of the Amalgamated Company.

13. Conduct of Business

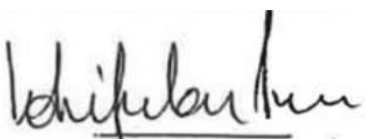
- 13.1 Subject to the effectiveness of this Scheme and with effect from the date of approval of this Scheme by the Board of the Amalgamating Company 2 and the Amalgamated Company, and up to and including the Effective Date, the Amalgamating Company 2 shall carry on the business with reasonable diligence and business prudence and in the same manner as it had been doing hitherto.
- 13.2 The Amalgamated Company shall also be entitled, pending the sanction of this Scheme, to apply to the Appropriate Authorities, wherever necessary, for such consents, approvals and sanctions which the Amalgamated Company may require including the registration, approvals, exemptions, reliefs, etc., as may be required/ granted under Applicable Law for the time being in force for carrying on business.

14. Inter se Transactions

- 14.1 Upon the Effective Date, all *inter se* contracts solely between the Amalgamating Company 2 and the Amalgamated Company shall stand cancelled and cease to operate, and appropriate effect shall be given to such cancellation and cessation in records of the Amalgamated Company.

15. Saving of concluded transactions

- 15.1 The transfer of Amalgamating Company 2 Assets and Liabilities to, and the continuance of proceedings by or against, the Amalgamated Company as envisaged in this Scheme shall not affect any transaction or proceedings already concluded by the Amalgamating Company 2 on or before the Appointed Date to the end and intent that the Amalgamated Company accepts and adopts all acts, deeds and things done and executed by the Amalgamating Company 2 in respect thereto as done and executed on behalf of itself.



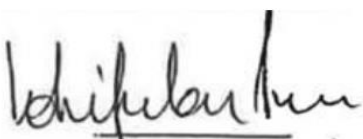
PART IV

AMALGAMATION OF THE AMALGAMATING COMPANY 3 WITH AND INTO THE AMALGAMATED COMPANY

1. **Transfer and vesting of the Amalgamating Company 3 with and into the Amalgamated Company**
 - 1.1. Upon the Effective Date and with effect from the Appointed Date, the Amalgamating Company 3 shall stand amalgamated with the Amalgamated Company and all its Amalgamating Company 3 Assets, Liabilities, interests and obligations, as applicable, be transferred and vested in the Amalgamated Company on a going concern basis without any requirement of a further act or deed so as to become as and from the Appointed Date, the assets, Liabilities, interests and obligations, as applicable, of the Amalgamated Company.
2. **Transfer of Amalgamating Company 3 Assets**
 - 2.1. Upon the Effective Date and with effect from the Appointed Date, all Amalgamating Company 3 Assets, as are movable in nature or are incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery shall stand transferred to and vested in the Amalgamated Company and shall become the property and an integral part of the Amalgamated Company (to the extent permissible under Applicable Law). The vesting pursuant to this Clause 2.1 of this Part IV shall be deemed to have occurred by manual delivery or endorsement and delivery, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.
 - 2.2. Upon the Effective Date and with effect from the Appointed Date, all movable Amalgamating Company 3 Assets, other than those specified in Clause 2.1 of this Part IV above, including Cash, sundry debtors, outstanding loans and advances, if any, recoverable in Cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons shall without any requirement of a further act, instrument or deed become the property of the Amalgamated Company.
 - 2.3. Upon the Effective Date and with effect from the Appointed Date, any and all immovable properties (including land together with the buildings and structures standing thereon) of the Amalgamating Company 3, whether freehold or leasehold and any documents of title, rights and easements in relation thereto shall stand transferred to and be vested in the Amalgamated Company, subject to Applicable Law, without any act or deed required by the Amalgamating Company 3 and the Amalgamated Company. Upon the Effective Date and with effect from the Appointed Date, the Amalgamated Company shall be entitled to exercise all rights and privileges and be liable to pay ground rent, Taxes and fulfil all obligations, in relation to or applicable to such immovable properties (if any). The mutation of title to the immovable properties in the name of the Amalgamated Company (if any) shall be made and duly recorded by the Appropriate Authorities pursuant to this Scheme coming into effect in accordance with the terms hereof without any requirement of a further act or deed on part of the Amalgamated Company.
 - 2.4. Without prejudice to the generality of the clauses mentioned above, the Amalgamating Company 3 Assets shall also include all permits, licenses approvals, clearances, authorities, quotas, allocations granted to the Amalgamating Company 3, all municipal approvals, authorizations, statutory rights, permissions, registrations, certificates, consents, authorities (including for the operation of bank accounts), power of attorney (given by, issued to or executed in favour of the Amalgamating Company 3), the concerned licensor and grantors of such approvals, clearances, permissions, approvals, arrangements, authorizations, benefits,

concessions, rights and benefits of all contracts, agreements, allotments, consents, quotas, rights, easements, engagements, exemptions, entitlements, advantages of whatever nature and howsoever named, properties, movable, in possession or reversion, present or contingent of whatsoever nature and where-so-ever situated, liberties, ownerships rights and benefits, earnest moneys payable pertaining to the assets mentioned in the aforesaid clauses, if any, all other rights and benefits, licenses, powers, privileges and facilities of every kind, nature and description whatsoever; right to use and avail of telephones, telexes, facsimile, connections, installations and other communication facilities and equipment, titles, all other utilities, benefits of all agreements, contracts, government contracts, memoranda of understanding, project service agreement, prequalification, applications, bids, tenders, letters of intent, concessions, non-possessory contractual rights or any other contracts, development rights, allocated deferred Tax and all other interest in connection with or relation to the Amalgamating Company 3 on the Appointed Date shall stand transferred to the Amalgamated Company.

- 2.5. Upon the Effective Date and with effect from Appointed Date, all Intellectual Property of the Amalgamating Company 3, shall, without any requirement of any further act or deed stand transferred and vested in the Amalgamated Company. The approval and consent of this Scheme by the shareholders of the Amalgamated Company and the Amalgamating Company 3 shall be deemed to be the approval of the shareholders under Section 188 of the Companies Act and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable provisions of Applicable Law towards the necessary deeds/ documents/ agreements to be executed between the Amalgamated Company and the Amalgamating Company 3 for the transfer to/ use by the Amalgamated Company of the Intellectual Property pertaining to the Amalgamating Company 3.
- 2.6. Upon the Effective Date and with effect from Appointed Date, the Amalgamating Company 3 agrees to execute and deliver, at the request of the Amalgamated Company, all papers and instruments required in respect of all Intellectual Property, to vest such rights, title and interest in the name of the Amalgamated Company and in order to update the records of the respective registries to reflect the name and address of the Amalgamated Company as the current owner of the Intellectual Property.
- 2.7. Upon the Effective Date and with effect from Appointed Date, in relation to the Amalgamating Company 3 Assets (if any), which require separate documents for vesting in the Amalgamated Company, the Amalgamating Company 3 and the Amalgamated Company will execute such deeds, documents or such other instruments, if any, as may be mutually agreed.
- 2.8. Upon the Effective Date and with effect from Appointed Date, the past track record of the Amalgamating Company 3 including without limitation, the profitability, experience, credentials and market share, shall be deemed to be the track record of the Amalgamated Company for all commercial and regulatory purposes including for the purposes of eligibility, standing, evaluation and participation of the Amalgamated Company in all existing and future bids, tenders and contracts of all authorities, agencies and clients.
- 2.9. Upon the Effective Date, the secured creditors of the Amalgamated Company, if any, shall continue to be entitled to security only over such properties and assets forming part of the Amalgamated Company, as existing immediately prior to the amalgamation of the Amalgamating Company 3 into and with the Amalgamated Company and the secured creditors of the Amalgamating Company 3, if any, shall continue to be entitled to security only over such properties, assets, rights, benefits and interest of the Amalgamating Company 3, as existing immediately prior to the amalgamation of the Amalgamating Company 3 with and into the Amalgamated Company. For the avoidance of doubt, it is

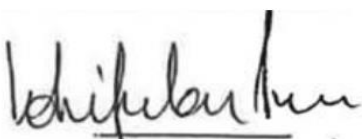


clarified that all the Amalgamating Company 3 Assets and the unencumbered assets of the Amalgamated Company shall, subject to Applicable Laws, remain free and available for the creation of any security thereon in the future in relation to any existing indebtedness or new indebtedness that may be incurred by the Amalgamated Company, at the discretion of the Board of the Amalgamated Company. For this purpose, no further consent from the existing creditors shall be required and sanction of this Scheme shall be considered as a specific consent of such secured creditors.

- 2.10. The Amalgamated Company shall, at any time after the Effective Date and as the successor entity of the Amalgamating Company 3, if so required under Applicable Law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement, including any filings with the Appropriate Authorities, in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions hereof, be deemed to be authorised to execute any such writings in the name of and on behalf of the Amalgamating Company 3 and to carry out or perform all such formalities or compliances referred to above, on the part of the Amalgamating Company 3, *inter alia*, in its capacity as the successor-in-interest of the Amalgamating Company 3.
- 2.11. The Amalgamated Company shall, at any time after the Effective Date, if so required under Applicable Law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the Amalgamating Company 3. For the avoidance of doubt, it is clarified that if the consent of any third party or Appropriate Authority, if any, is required to give effect to the provisions of this Clause 2.11 of this Part IV, the said third party or Appropriate Authority shall make and duly record the necessary substitution/ endorsement in the name of the Amalgamated Company pursuant to the sanction of this Scheme by the NCLT, and upon the Effective Date. The Amalgamated Company shall file appropriate applications/ documents with the Appropriate Authorities concerned for information and record purposes and the Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Amalgamating Company 3 and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

3. Transfer of Liabilities

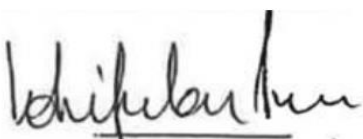
- 3.1. Upon the Effective Date and with effect from Appointed Date, all Liabilities of the Amalgamating Company 3, shall, without any requirement of further act or deed, be transferred to, or be deemed to be transferred to the Amalgamated Company so as to become from the Appointed Date, the Liabilities of the Amalgamated Company and the Amalgamated Company undertakes to meet, discharge and satisfy the same.
- 3.2. It is hereby clarified that, unless expressly provided for under the arrangements with respective third parties, it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts and Liabilities have arisen, in order to give effect to the provisions of Clause 3 of this Part IV.
- 3.3. Upon the Effective Date and with effect from Appointed Date, all loans raised and used, if any, and Liabilities incurred, if any, by the Amalgamating Company 3 after the Appointed Date shall be deemed to be transferred to, and discharged by the Amalgamated Company without any requirement of a further act or deed.
- 3.4. The vesting of the Amalgamating Company 3, as aforesaid, shall be subject to the existing securities, charges, hypothecation and mortgages, if any, subsisting in relation to any loans or borrowings of the Amalgamating Company 3, provided, however, any reference in any security documents or arrangements to which the Amalgamating Company 3 is a party,



wherein the Amalgamating Company 3 Assets have been or are offered or agreed to be offered as securities for any financial assistance or obligations, shall be construed as a reference to only the Amalgamating Company 3 Assets, as are vested in the Amalgamated Company as per Part IV of this Scheme, to the end and intent that any such security, charge, hypothecation and mortgage shall not extend or be deemed to extend to any of the other Amalgamating Company 3 Assets of the Amalgamating Company 3 or any of the Amalgamating Company 3 Assets of the Amalgamated Company. Provided further that the securities, charges, hypothecation and mortgages (if any subsisting) over and in respect of the Amalgamating Company 3 Assets or any part thereof of the Amalgamated Company shall continue with respect to such Amalgamating Company 3 Assets or part thereof and this Scheme shall not operate to enlarge such securities, charges, hypothecation and mortgages.

4. Transfer of Contracts, Deeds, Bonds and Other Instruments

- 4.1. Upon the Effective Date and with effect from the Appointed Date and subject to the provisions of this Scheme, all contracts, deeds, bonds, lease deeds, agreements entered into with various persons, arrangements and other instruments of whatsoever nature in relation to the Amalgamating Company 3 and to which the Amalgamating Company 3 is a party or to the benefit of which the Amalgamating Company 3 may be eligible, and which are subsisting or have effect as on the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, of the Amalgamated Company and may be enforced as fully and effectually as if, instead of the Amalgamating Company 3, the Amalgamated Company had been a party or beneficiary or obligee thereto or thereunder, in all cases subject to the terms and provisions of such contracts, deeds, bonds, lease deeds, agreements, arrangements or instruments.
- 4.2. Without prejudice to the other provisions of this Scheme, at any time after the Effective Date, if so required, under any Applicable Law or otherwise, execute deeds, confirmations or other writings or arrangements with any party to any contract or arrangement to which the Amalgamating Company 3 is a party or any writings as may be necessary to be executed merely in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Amalgamating Company 3 and to carry out or perform all such formalities or compliances referred to above on the part of the Amalgamating Company 3 to be carried out or performed.
- 4.3. Without prejudice to the generality of the foregoing, it is clarified that upon the Effective Date and with effect from Appointed Date, all consents, agreements, permissions, all statutory or regulatory licences, certificates, insurance covers, clearances, authorities, power of attorney given by, issued to or executed in favour of the Amalgamating Company 3 shall stand transferred to the Amalgamated Company, as if the same were originally given by, issued to or executed in favour of the Amalgamated Company, and the Amalgamated Company 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 Amalgamated Company. In so far as the various incentives, subsidies, schemes, special status and other benefits or privileges enjoyed, granted by any governmental body, local authority, or by any other person, or availed by the Amalgamating Company 3 are concerned, the same shall vest with and be available to the Amalgamated Company on the same terms and conditions as applicable to the Amalgamating Company 3, as if the same had been allotted and/or granted and/ or sanctioned and/ or allowed to the Amalgamated Company.
- 4.4. The approval and consent of this Scheme by the shareholders of the Amalgamating Company 3 and the Amalgamated Company shall be deemed to be the approval of their shareholders under Section 188 of the Companies Act and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all



other applicable provisions of Applicable Law towards the necessary deeds/ documents/ agreements to be executed between the Amalgamating Company 3 and the Amalgamated Company pertaining to this Scheme or in connection with the implementation of this Scheme.

5. Transfer of Employees

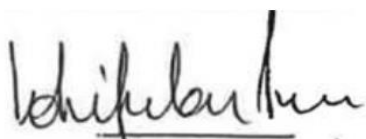
- 5.1. Upon the Effective Date and with effect from the Appointed Date, all employees of the Amalgamating Company 3 as on the Effective Date shall be deemed to have become employees of the Amalgamated Company, without any interruption of service and on the basis of continuity of service and terms and conditions no less favourable than those applicable to them with reference to the Amalgamating Company 3, on the Effective Date. The services of such employees with the Amalgamating Company 3, up to the Effective Date, shall be taken into account for the purposes of all benefits to which the employees may be eligible under Applicable Law.
- 5.2. Upon the Effective Date and with effect from the Appointed Date, all contributions to funds and schemes in respect of provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme or any other special schemes or benefits created or existing for the benefit of such employees of the Amalgamating Company 3 shall be made by the Amalgamated Company in accordance with the provisions of such schemes or funds and Applicable Law.
- 5.3. Subject to Applicable Law, the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, the staff welfare scheme and any other schemes or benefits created by the Amalgamating Company 3 for the employees shall be continued on the same terms and conditions and be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Amalgamated Company without any separate act or deed/ approval.

6. Continuation of Legal Proceedings

- 6.1. From the Effective Date, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Amalgamating Company 3, whether pending on the Appointed Date, or which may be instituted any time in the future (irrespective of whether they relate to periods on or prior to the Appointed Date) and in each case relating to the Amalgamating Company 3 (“**Amalgamating Company 3 Proceedings**”) shall be continued and enforced by or against the Amalgamated Company after the Effective Date, to the extent permissible under Applicable Laws.
- 6.2. If any Amalgamating Company 3 Proceeding(s) is/ are pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of this Scheme and the proceedings may be continued, prosecuted and enforced, by or against the Amalgamated Company in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Amalgamating Company 3, as if this Scheme had not been made.

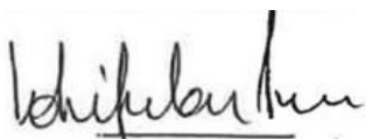
7. Treatment of Taxes and Charges payable

- 7.1. Upon the Effective Date and with effect from the Appointed Date, all Taxes and duties payable by the Amalgamating Company 3 (including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, State sales tax laws, Central Sales Tax Act, 1956, value added tax/ service tax/ goods and services tax and all other Applicable Laws), accruing and relating to the Amalgamating Company 3 from the Appointed Date onwards, including but not limited to advance Tax payments, Tax deducted at source, minimum alternate Tax, any refund and



claims shall, for all purposes, be treated as advance Tax payments, Tax deducted at source or refunds and claims, as the case may be, of the Amalgamated Company.

- 7.2. Upon the Effective Date and with effect from the Appointed Date, all unutilized credits and exemptions, the benefit of carried forward losses and other statutory benefits, including in respect of income tax (including but not limited to Tax deducted at source, Tax collected at source, advance Tax, minimum alternate Tax credit etc.), CENVAT, customs, value added tax, sales tax, service tax, goods and services tax etc. to which the Amalgamating Company 3 is entitled to shall be available to and vest in the Amalgamated Company, without any requirement of a further act or deed.
- 7.3. Upon the Effective Date, the Amalgamating Company 3 and the Amalgamated Company are permitted to revise and file their respective Tax returns, including income tax returns, withholding tax returns, including tax deducted at source certificates, sales tax/ value added tax returns, service tax returns, goods and services tax returns and other Tax returns for the period commencing on and before the Appointed Date, and to claim refunds/ credits, pursuant to the provisions of this Scheme.
- 7.4. Upon the Effective Date, any Tax deposited, certificates issued or returns filed by the Amalgamating Company 3 relating to Amalgamating Company 3 shall continue to hold good as if such amounts were deposited, certificates were issued and returns were filed by the Amalgamated Company.
- 7.5. All the expenses incurred by the Amalgamating Company 3 and the Amalgamated Company in relation to the amalgamation of the Amalgamating Company 3 with the Amalgamated Company as per this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Amalgamated Company in accordance with Section 35DD of the IT Act over a period of 5 (five) years beginning with the previous year in which this Scheme becomes effective.
- 7.6. Any refund, tax credit and adjustment under the Tax laws due to the Amalgamating Company 3 pertaining to the Amalgamating Company 3 consequent to the assessments made on the Amalgamating Company 3 and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall belong to and be received by the Amalgamated Company. The Appropriate Authorities shall be bound to transfer to the account of and give credit for the same to the Amalgamated Company upon the sanction of this Scheme by the NCLT and upon relevant proof and documents being provided to the Appropriate Authorities.
- 7.7. The Amalgamating Company 3 may be entitled to various incentive schemes and pursuant to this Scheme, the benefits under all such schemes and policies pertaining to the Amalgamating Company 3 shall stand transferred to and vested in the Amalgamated Company and all benefits, entitlements and incentives of any nature whatsoever including benefits under various Taxes including the income tax, excise, sales tax, service tax, goods and services tax exemptions, concessions, remissions, subsidies and other incentives in relation to the consumer products business, to the extent statutorily available, shall be claimed by the Amalgamated Company.
- 7.8. This Scheme complies with the conditions relating to “amalgamation” as defined under Section 2(1B) and other relevant sections and provisions of the IT Act and are intended to apply accordingly. If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any of the said provisions (including the conditions set out therein) at a later date, whether as a result of a new enactment or any amendment or coming into force of any provision of the IT Act or any other law or any judicial or executive interpretation or for any other reason whatsoever, this Scheme may be modified to the extent required with the



consent of each of the Companies (acting through their respective Board) to ensure compliance of this Scheme with such provisions.

8. Combination of the Authorized Share Capital of the Amalgamating Company 3 with the Amalgamated Company

8.1. Upon the Effective Date, the authorized share capital of the Amalgamating Company 3, shall be deemed to be added to the authorized share capital of the Amalgamated Company without any requirement of a further act or deed on the part of the Amalgamated Company including payment of stamp duty and fees payable to the RoC, and the memorandum of association and articles of association of the Amalgamated Company (relating to the authorized share capital) and the consent of the shareholders to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 4, 13, 14 and 61 and all other applicable provisions of the Companies Act, if any, would be required passed, as the case may be, and for this purpose, the stamp duties and fees paid by the Amalgamating Company 3 shall be utilized and applied to the increased authorized share capital of the Amalgamated Company and there would be no requirement of any further payment of stamp duty and/ or fee by the Amalgamated Company for increase in the authorized share capital to that extent. Provided that, in relation to the foregoing, if applicable, the Amalgamated Company shall pay the requisite fees on its authorised share capital enhanced by the amalgamation after having made the applicable adjustments, as permitted in terms of Section 232(3)(i) of the Companies Act.

9. Cancellation of existing shares of the Amalgamating Company 3

9.1. Upon the Effective Date, the entire existing issued and paid-up equity share capital of the Amalgamating Company 3, as held by its shareholders and their nominees, shall, without any further application, act, instrument or deed, be automatically cancelled. Consequently, upon the Effective Date, the investments in the equity share capital of the Amalgamating Company 3 appearing in the books of accounts of its shareholders and their nominees shall stand cancelled.

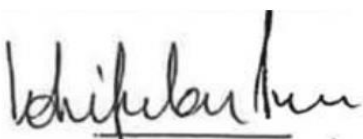
9.2. The cancellation of the equity share capital held by the shareholders of the Amalgamating Company 3 and their nominees, in accordance with Clause 9.1 of this Part IV above, shall be effected as a part of this Scheme itself and not under a separate procedure, in terms of Section 66 of the Companies Act, and the order of the NCLT sanctioning this Scheme shall be deemed to be an order under Section 66 of the Companies Act, or any other applicable provisions, confirming the reduction. The consent of the shareholders of the Amalgamating Company 3 and the Amalgamated Company to this Scheme shall be deemed to be the consent of its shareholders for the purpose of effecting the reduction under the provisions of Section 66 of the Companies Act as well and no further compliances would be separately required.

9.3. The Amalgamated Company shall not be required to add the words “and reduced” as a suffix to its name consequent upon the reduction of capital under Clause 9.1 of this Part IV above.

9.4. The reduction of capital of the Amalgamated Company, as above, does not involve any diminution of Liability in respect of any unpaid share capital or payment to any shareholder of any paid-up share capital or payment in any other form.

10. Dissolution of the Amalgamating Company 3

10.1. Upon the Effective Date, the Amalgamating Company 3 shall, without any requirement of a further act or deed, stand dissolved without being wound up without any requirement for any further act by the parties, in accordance with the Companies Act and the name of the Amalgamating Company 3 shall be struck off the RoC.



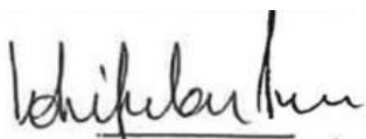
11. Accounting treatment in the books of the Amalgamating Company 3

- 11.1. As the Amalgamating Company 3 shall stand dissolved without being wound up upon this Scheme becoming effective as mentioned in Clause 10.1 of this Part IV of this Scheme and all the assets and liabilities as well as reserves shall be transferred to the Amalgamated Company, on a going concern basis. Hence there is no accounting treatment prescribed under this Scheme in the books of accounts of the Amalgamating Company 3.

12. Accounting treatment in the books of the Amalgamated Company

- 12.1. Upon this Scheme becoming effective, the Amalgamated Company shall account for the merger of the Amalgamating Company 3 in its books of accounts in accordance with 'Pooling of Interest Method' of accounting as laid down in Appendix-C of Ind-AS 103 (Business combinations of entities under common control) as under:

- (a) The acquired assets and liabilities from the Amalgamating Company 3 would be recorded at their respective carrying amounts as appearing in the respective financial statements (which are equivalent to the carrying amounts as appearing in the consolidated financial statements of the Amalgamated Company) of the Amalgamating Company 3 as on the Effective Date;
- (b) No adjustments will be made to reflect fair values and also no new assets or liabilities will be recognized;
- (c) In case of any differences in the accounting policies between the Amalgamated Company and the Amalgamating Company 3, the impact of the same will be quantified and adjusted in the retained earnings of the Amalgamated Company to ensure that the financial statements of the Amalgamated Company reflect the true financial position on the basis of consistent accounting policies;
- (d) The identity of the reserves (relating to Telecom Business) transferred would be preserved and would appear in the financial statements of the Amalgamated Company in the same form in which they appeared in the financial statements of the Amalgamating Company 3. For example, the general reserve of the Amalgamating Company 3 would be recognised as a general reserve of the Amalgamated Company and the capital reserve of the Amalgamating Company 3 would become the capital reserve of the Amalgamated Company. Accordingly, the reserves which are available for distribution as dividend before the business combination would also be available for distribution as dividend by the Amalgamated Company after the business combination;
- (e) The Amalgamated Company shall cancel the investments pertaining to the Amalgamating Company 3 as per Clause 9.1 of this Part IV of this Scheme, against assets, liabilities and reserves acquired from the entity. The difference, if any, between the carrying values of assets, liabilities and reserve balance under Clause 12.1(a) of this Part IV above, transferred to the Amalgamated Company and cancellation of investments in lieu of the amalgamation shall be recorded as business restructuring reserve (capital reserve) and presented separately;
- (f) To the extent, there are inter-company balances between the Amalgamated Company and the Amalgamating Company 3, the rights and obligations in respect thereof shall stand cancelled; and
- (g) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements of the Amalgamated Company.



13. Conduct of Business

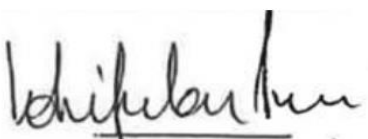
- 13.1. Subject to the effectiveness of this Scheme and with effect from the date of approval of this Scheme by the Board of the Amalgamating Company 3 and the Amalgamated Company, and up to and including the Effective Date, the Amalgamating Company 3 shall carry on the business with reasonable diligence and business prudence and in the same manner as it had been doing hitherto.
- 13.2. The Amalgamated Company shall also be entitled, pending the sanction of this Scheme, to apply to the Appropriate Authorities, wherever necessary, for such consents, approvals and sanctions which the Amalgamated Company may require including the registration, approvals, exemptions, reliefs, etc., as may be required/ granted under Applicable Law for the time being in force for carrying on business.

14. Inter se Transactions

- 14.1. Upon the Effective Date, all *inter se* contracts solely between the Amalgamating Company 3 and the Amalgamated Company shall stand cancelled and cease to operate, and appropriate effect shall be given to such cancellation and cessation in records of the Amalgamated Company.

15. Saving of concluded transactions

The transfer of Amalgamating Company 3 Assets and Liabilities to, and the continuance of proceedings by or against, the Amalgamated Company as envisaged in this Scheme shall not affect any transaction or proceedings already concluded by the Amalgamating Company 3 on or before the Appointed Date to the end and intent that the Amalgamated Company accepts and adopts all acts, deeds and things done and executed by the Amalgamating Company 3 in respect thereto as done and executed on behalf of itself.



PART V

DEMERGER OF THE TELECOM BUSINESS UNDERTAKING AND VESTING OF THE SAME WITH THE RESULTING COMPANY

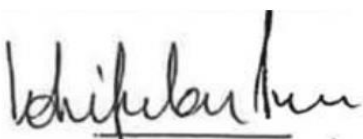
1. Transfer and vesting of the Telecom Business Undertaking

- 1.1 Upon the Effective Date and with effect from the Appointed Date, the Telecom Business Undertaking, together with all its rights, benefits, interests and obligations therein, shall, in accordance with Section 2(19AA) of the IT Act and Sections 230 to 232 and other applicable provisions of the Companies Act, without any further act, instrument or deed, stand transferred to and vested in or be deemed to be transferred to and vested in the Resulting Company, as a going concern, and shall become the property of and an integral part of the Resulting Company.

2. Transfer of Demerged Company Assets

- 2.1 Upon the Effective Date and with effect from the Appointed Date, all Demerged Company Assets relating to the Telecom Business Undertaking, as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, shall, stand transferred to and vested in the Resulting Company and shall become the property and an integral part of the Resulting Company. The vesting pursuant to this Clause 2.1 of this Part V shall be deemed to have occurred by manual delivery or endorsement and delivery, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.
- 2.2 Upon the Effective Date and with effect from the Appointed Date, all movable Demerged Company Assets of the Telecom Business Undertaking, other than those specified in Clause 2.1 of this Part V above, including Cash, other recoverable (including but not limited to reversed goods and services tax credit), refunds (pending clearance or disputed) sundry debtors, outstanding loans and advances, if any, recoverable in Cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons shall without any requirement of a further act, instrument or deed become the property of the Resulting Company.
- 2.3 Upon the Effective Date and with effect from the Appointed Date, all immovable Demerged Company Assets of the Telecom Business Undertaking shall be vested in and/or be deemed to have been vested in the Resulting Company, without any further act or deed done or being required to be done by the Demerged Company and/or the Resulting Company. With effect from the Effective Date, the Resulting Company shall be entitled to exercise all rights and privileges attached to such immovable properties and shall be liable to pay the ground rent and Taxes and fulfil all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Resulting Company by the Appropriate Authorities pursuant to the sanction of this Scheme by the NCLT and upon this Scheme becoming effective in accordance with the terms hereof.
- 2.4 For purposes of taking on record the name of the Resulting Company in the records of the Appropriate Authorities in respect of the transfer of immovable properties to the Resulting Company pursuant to this Scheme, the Boards of the Demerged Company and the Resulting Company may approve the execution of such documents or deeds as may be necessary, including deed of assignment of lease or leave or licence (as the case may be) by the Demerged Company in favour of the Resulting Company.

- 2.5 Upon the Effective Date and with effect from the Appointed Date, all Intellectual Property of the Demerged Company to the extent being used in relation to the Telecom Business Undertaking, as may be determined by the Board of the Demerged Company, shall without any requirement of any further act or deed stand transferred and vested in the Resulting Company. Upon the Effective Date and with effect from Appointed Date, the Demerged Company agrees to execute and deliver, at the request of the Resulting Company, all papers and instruments required in respect of the Intellectual Property stated in this Clause 2.5 of this Part V, to vest such rights, title and interest in the name of the Resulting Company and in order to update the records of the respective registries to reflect the name and address of the Resulting Company as the current owner of the Intellectual Property. The Resulting Company shall, in the ordinary course of its business, enter into necessary deeds/ documents/ agreements with the Demerged Company in relation to the use of the trademark 'Airtel', by the Resulting Company, on such terms and conditions as may be mutually agreed between the Resulting Company and the Demerged Company. The approval and consent of this Scheme by the shareholders of the Demerged Company and the Resulting Company shall be deemed to be the approval of the shareholders under Section 188 of the Companies Act and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable provisions of Applicable Law towards the necessary deeds/ documents/ agreements to be executed between the Demerged Company and the Resulting Company for the transfer to/ use by the Resulting Company of the Intellectual property pertaining to the Telecom Business Undertaking as aforesaid.
- 2.6 It is clarified that the 'Airtel' brand shall continue to be owned by the Demerged Company. As part of the demerger of the Telecom Business Undertaking, the Resulting Company shall have the right to use the 'Airtel' brand for a period of 5 (five) years from the Appointed Date without payment of any royalty or fees to the Demerged Company. The Demerged Company and the Resulting Company may enter into agreements in relation to the aforementioned arrangements for the 'Airtel' brand.
- 2.7 Upon the Effective Date and with effect from the Appointed Date, in relation to the Demerged Company Assets, if any, belonging to the Telecom Business Undertaking, which requires separate documents for vesting in the Resulting Company, or which the Demerged Company and/ or the Resulting Company otherwise desire to be vested separately, the Demerged Company and the Resulting Company will execute such deeds, documents or such other instruments, if any, as may be mutually agreed.
- 2.8 It is hereby clarified that if any Demerged Company Assets (including but not limited to any estate, rights, title, interest in or authorities relating to such Demerged Company Assets) in relation to the Telecom Business Undertaking which the Demerged Company owns, cannot be transferred to the Resulting Company for any reason whatsoever, the Demerged Company shall hold such Demerged Company Asset in trust for the benefit of the Resulting Company.
- 2.9 The Resulting Company shall, at any time after the Effective Date and as the successor entity of the Demerged Company, in relation to the Telecom Business Undertaking, if so required under any Applicable Law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Telecom Business Undertaking, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. The Resulting Company shall, under the provisions hereof, be deemed to be authorised to execute any such writings in the name of and on behalf of the Demerged Company in relation to the Telecom Business Undertaking and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company, *inter alia*, in its capacity as the successor-in-interest of the Demerged Company in relation to the Telecom Business Undertaking.

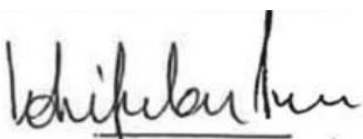


3. Transfer of Liabilities and Reserves

- 3.1 Upon the Effective Date and with effect from the Appointed Date, all Telecom Business Related Liabilities shall stand transferred, or be deemed to have been transferred to the Resulting Company so as to become, from the Appointed Date, the Liabilities of the Resulting Company and the Resulting Company undertakes to meet, discharge and satisfy the same.
- 3.2 For any reason if any Telecom Business Related Liability is required to be retained in the Demerged Company (“**Retained Liabilities**”) (including on account of Applicable Law, requirement of consents, legal and contractual limitation etc.), the Board of Directors’ of the Demerged Company and the Resulting Company shall discuss and mutually agree upon the assistance, support and cooperation to be provided by the Resulting Company to the Demerged Company (including provision of any guarantees, entering into any back to back arrangements) in relation to any such Retained Liabilities.
- 3.3 For any Telecom Business Related Liability to be transferred/ assigned to the Resulting Company, if the lenders/ creditors require any assistance, support or cooperation from the Demerged Company, then, the Board of Directors’ of the Demerged Company and the Resulting Company shall discuss and mutually agree upon the assistance, support and cooperation to be provided by the Demerged Company to the Resulting Company (including provision of any guarantees, entering into any back to back arrangements) in relation to any such Telecom Business Related Liabilities.
- 3.4 The Demerged Company shall be entitled to take all requisite actions as may be required in relation to such Retained Liabilities including but not limited to amending the terms of such Retained Liabilities (which may result in the revision in the liabilities/ obligations).
- 3.5 The Demerged Company shall transfer all reserves (viz. securities premium, retained earnings, general reserve, share-based payment reserve, capital reserve, and any other reserve) of the Telecom Business Undertaking at their carrying values, which will be computed based on proportionate net assets of the Telecom Business Undertaking and Residual Business of the Demerged Company as on the Effective Date.

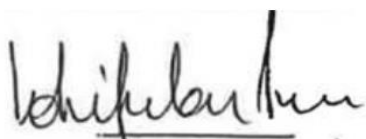
4. Transfer of Contracts, Deeds, Bonds and Other Instruments

- 4.1 Upon the Effective Date and with effect from the Appointed Date, and subject to the provisions of this Scheme, all contracts (including all contracts/ purchase orders with customers, all contracts/ purchase orders with vendors and all contracts (including all contracts pending for renewal or for fresh allocation of capacity), deeds, bonds, lease deeds, agreements entered into with various persons including independent consultants, subsidiaries/ associate/ joint venture companies and other shareholders of such subsidiaries/ associate/ joint venture companies, arrangements and other instruments of whatsoever nature in relation to the Telecom Business Undertaking, to which the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, of the Resulting Company and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto or thereunder.
- 4.2 Without prejudice to the other provisions of Part V of this Scheme and notwithstanding that the vesting of the Telecom Business Undertaking with the Resulting Company occurs by virtue of this Part V of this Scheme itself, the Resulting 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, execute deeds, confirmations or other writings or



arrangements with any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary to be executed merely in order to give formal effect to the above provisions. The Demerged Company will, if reasonably necessary, also be a party to the above. The Resulting Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company to be carried out or performed.

- 4.3 Without prejudice to the generality of the foregoing, it is clarified that upon the Effective Date and with effect from Appointed Date, all consents, agreements, permissions, all statutory or regulatory licenses, certificates, insurance covers, clearances, authorities and power of attorney given by, issued to or executed in favour of the Demerged Company in relation to the Telecom Business Undertaking, shall stand transferred to the Resulting Company in accordance with Applicable Law including the DoT Merger Guidelines, as if the same were originally given by, issued to or executed in favour of the Resulting Company, and the Resulting Company 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. A list of the existing Telecom Licenses is provided in **Schedule 4** of this Scheme. In so far as the various incentives, subsidies, schemes, special status and other benefits or privileges enjoyed, granted by any governmental body, local authority, or by any other person, or availed by the Demerged Company in relation to the Telecom Business Undertaking are concerned, the same shall vest with and be available to the Resulting Company on the same terms and conditions as applicable to the Demerged Company, as if the same had been allotted and/ or granted and/ or sanctioned and/ or allowed to the Resulting Company.
- 4.4 It is hereby clarified that if any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Telecom Business Undertaking to which the Demerged Company is a party, cannot be transferred to the Resulting Company for any reason whatsoever, the Demerged Company shall hold such contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Resulting Company.
- 4.5 Notwithstanding anything contained under Part V of this Scheme, the Demerged Company shall, subject to compliance with Sections 185 and 188 or other applicable provisions of the Companies Act and the provisions of articles of association of the Demerged Company, on such terms and conditions as maybe prescribed by the DoT, and on such terms and conditions as the Board of Directors of the Demerged Company and the Resulting Company may mutually determine, permit issuing guarantees including DoT Bank Guarantee on behalf of the Resulting Company, the effect of which is the creation of security, for the purpose of the licenses in favour of the Telecom Business Undertaking, Spectrum and/or telecom operation, whether pertaining to the period prior to the effectiveness of this Scheme or anytime thereafter. The consent of the shareholders of the Demerged Company and the Resulting Company to this Scheme shall be deemed to be sufficient for the purposes of effecting this, and no further resolution(s) under Sections 185 and 188 or other applicable provisions of the Companies Act, if any, would be required to be separately passed in this regard.
- 4.6 The approval and consent of this Scheme by the shareholders of the Resulting Company and the Demerged Company shall be deemed to be the approval of their shareholders under Section 188 of the Companies Act and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable provisions of Applicable Law towards the necessary deeds/ documents/ agreements to be executed between the Resulting Company and the Demerged Company pertaining to this Scheme or in connection with the implementation of this Scheme.



5. Transfer of Employees

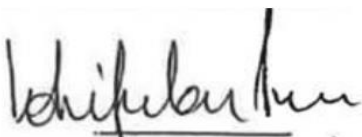
- 5.1 Upon the Effective Date and with effect from Appointed Date, the Transferring Employees, shall be deemed to have become employees of the Resulting Company, without any interruption of service and on the basis of continuity of service and on the same terms and conditions as those applicable to them with reference to the Demerged Company on the Effective Date. The services of such Transferring Employees, if any, with the Demerged Company up to the Effective Date shall be taken into account for the purposes of all benefits and continuity to which, if any, such Transferring Employees may be eligible under Applicable Law.
- 5.2 Upon the Effective Date and with effect from Appointed Date, all contributions to funds and schemes in respect of provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme or any other special schemes or benefits created or existing for the benefit of the Transferring Employees, if any, shall be made by the Resulting Company in accordance with the provisions of such schemes or funds and Applicable Law.
- 5.3 The existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, the staff welfare scheme and any other schemes or benefits created by the Demerged Company pertaining to the Transferring Employees, if any, shall be continued on the same terms and conditions and shall be transferred to the Resulting Company without any separate act or deed/ approval and on and from the Effective Date shall be maintained by and shall be the Liability of the Resulting Company. In relation to the Transferring Employees, for whom the Demerged Company is making contributions to the provident fund, the Resulting Company shall stand substituted for the Demerged Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye-laws, etc., if any.

6. Continuation of Legal Proceedings

- 6.1 Upon the Effective Date and with effect from Appointed Date, all Transferring Litigations, pending on the Effective Date, shall be continued, prosecuted and enforced by or against the Resulting Company, in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Demerged Company.
- 6.2 The Resulting Company: (a) shall be replaced/added as a party to Transferring Litigations; and (b) shall prosecute or defend such proceedings at its own cost and subject to any agreement between the Demerged Company and the Resulting Company, the Liability of the Demerged Company shall consequently stand nullified. Each of the Demerged Company and the Resulting Company shall make relevant applications in this regard, as may be required. For the avoidance of doubt, it is clarified that all Excluded Litigations shall continue to be prosecuted and enforced by or against the Demerged Company.

7. Treatment of Taxes and Charges Payable

- 7.1 Upon the Effective Date and with effect from Appointed Date, all Taxes, charges, fees, claims, amounts and duties payable by the Demerged Company (including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, State sales tax laws, Central Sales Tax Act, 1956, value added tax/ service tax, goods and services tax laws, claims raised by or amounts payable to DoT and/ or DoS and all other Applicable Laws), accruing and relating to the Telecom Business Undertaking, including but not limited to any refund and claims which may relate to a period after the Appointed Date (but excluding Tax deducted at source, minimum alternate Tax and advance Tax payments which shall remain that of the Demerged Company) shall, for all purposes, be treated as refunds and claims, as the case may be, of the Resulting Company.



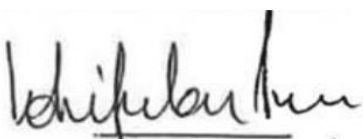
- 7.2 Upon the Effective Date and with effect from Appointed Date, all unutilized credits and exemptions and other statutory benefits, including in respect of CENVAT, customs, goods and services tax (Inter State, Central, State and Union Territory), value added tax, sales tax, service tax etc. relating to the Telecom Business Undertaking to which the Demerged Company is entitled to, shall be available to and vest in the Resulting Company, without any further act or deed. This shall include those credits which were initially availed and reversed (as per law) in the Demerged Company but are re-availed post demerger in the Resulting Company.
- 7.3 The Demerged Company may be entitled to various incentive schemes and pursuant to this Scheme, it is declared that the benefits under all such schemes and policies pertaining to the Telecom Business Undertaking shall stand transferred to and vested in the Resulting Company and all benefits, entitlements and incentives of any nature whatsoever including benefits pertaining to various Taxes, including the income tax, excise, sales tax, service tax, goods and services tax, exemptions, concessions, remissions, subsidies and other incentives in relation to the Telecom Business Undertaking, to the extent statutorily available, shall be claimed by the Resulting Company.
- 7.4 Part V of this Scheme complies with the conditions relating to “demerger” as defined under Sections 2(19AA), 47, 72A and other relevant sections and provisions, of the IT Act and is intended to apply accordingly. If any terms or clauses of this Scheme are found to be or interpreted to be inconsistent with any of the said provisions (including the conditions set out therein), at a later date, whether as a result of a new enactment or any amendment or coming into force of any provision of the IT Act or any other Applicable Law or any judicial or executive interpretation or for any other reason whatsoever, the Demerged Company and the Resulting Company shall discuss in good faith to modify this Scheme in a mutually satisfactory manner that ensures compliance of this Scheme with such provisions.

8. Record Date

- 8.1 Upon the Effective Date and upon the transfer of the Telecom Business Undertaking and vesting of the same in the Resulting Company, the Board of the Demerged Company shall, after consulting with the Board of the Resulting Company, determine a Record Date, being a date subsequent to the Effective Date, for the discharge of consideration for the demerger (i.e. issuance and allotment of CCPS of the Resulting Company and payment of cash consideration to the equity shareholders of the Demerged Company as on Record Date in terms of Clause 10.2 and Clause 10.4 of this Part V below). On determination of Record Date, the Demerged Company shall provide to the Resulting Company the list of its shareholders as on such Record Date, who are entitled to receive the CCPS in the Resulting Company in terms of Clause 10.2 of this Part V below and/ or cash consideration in terms of Clause 10.4 of this Part V below, in order to enable the Resulting Company to discharge consideration to such shareholders of the Demerged Company as on Record Date.

9. Combination of the authorised equity share capital of the Demerged Company into the Resulting Company and reclassification of the authorized share capital of the Resulting Company

- 9.1 Upon the Effective Date, a portion of the authorized equity share capital of the Demerged Company, amounting to Rs. 7436,56,50,000/- (Indian Rupees Seven Thousand Four Hundred Thirty Six Crore Fifty Six Lakh Fifty Thousand only), shall stand transferred and be deemed to be added to the authorized share capital of the Resulting Company as on Effective Date, without any requirement of any further act or deed on the part of the Demerged Company, including payment of stamp duty and fees payable to the RoC, and the memorandum of association and articles of association of the Resulting Company (relating to the authorized share capital) shall, without any requirement of a further act, instrument or deed, be and stand



altered, modified and amended, and the consent of the shareholders to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 4, 13, 61 and/or other applicable provisions of the Companies Act, if any, would be required to be separately passed, and for this purpose. The stamp duties and fees paid on the authorized share capital of the Demerged Company in the past shall be deemed to have been utilized and applied to the increased authorized share capital of the Resulting Company and there would be no requirement of any further payment of stamp duty and/or fee by the Resulting Company for an increase in and utilization of the authorized share capital to that extent, provided that, if applicable, the Resulting Company shall pay the requisite fees on its authorised share capital enhanced by the demerger, in terms of the Companies Act.

- 9.2 Upon the Effective Date and pursuant to the combination of the authorized equity share capital of the Demerged Company into the Resulting Company as per Clause 9.1 of this Part V above, the authorized share capital of the Resulting Company shall automatically be reclassified into such number of equity and preference shares such that the face value of each equity share is Rs. 10/- and the face value of each preference share is Rs. 100/- and consequently, upon the Effective Date, the authorized share capital of the Resulting Company shall be as follows:

Authorized Equity Share Capital	Amount (in INR)
643,65,75,000 equity shares of Rs. 10/- each.	6436,57,50,000
10,00,00,000 preference shares of Rs. 100/- each.	1000,00,00,000
Total	7436,57,50,000

10. Consideration for Demerger

- 10.1. The Resulting Company and Demerged Company shall take all necessary steps, including by way of passing all enabling corporate resolutions to increase or alter, to the extent required, its authorised share capital suitably so as to enable it to issue and allot the CCPS under this Part V of this Scheme.
- 10.2. Subject to Clause 10.3 of this Part V below, upon the Effective Date and in consideration of vesting of the Telecom Business Undertaking of the Demerged Company into the Resulting Company in terms of this Part V of this Scheme, the equity shareholders of the Demerged Company as on the Record Date shall be entitled to CCPS of the Resulting Company, in the following ratio ("**Share Entitlement Ratio**"):

1 (One) CCPS to the equity shareholders of the Demerged Company, for every 43,936 (Forty Three Thousand Nine Hundred Thirty Six) Bharti Airtel Equity Shares.

- 10.3. In the event, the number of equity shares of the Demerged Company issued and outstanding as on the Record Date differs from the number of shares issued and outstanding as on April 14, 2021 (i.e. the date the Board of the Demerged Company approved the Scheme), then the Share Entitlement Ratio as on the Record Date would be adjusted as follows:

1 (One) CCPS to the equity shareholders of the Demerged Company as on the Record Date, for such number of Bharti Airtel Equity Shares equivalent to the Outstanding Shares divided by 1,25,000 (One Lakh Twenty Five Thousand).

where, "Outstanding Shares" shall mean the total number of equity shares of the Demerged Company issued and outstanding as of the Record Date.

- 10.4. For the purpose of issuance and allotment of CCPS of the Resulting Company pursuant to Clause 10.2 of this Part V above, in case:

- (a) the shareholding of an equity shareholder of the Demerged Company is such that such equity shareholder becomes entitled to a fraction of a CCPS of the Resulting Company, as per the Share Entitlement Ratio set out in Clause 10.2 of this Part V above, then the Resulting Company shall not issue CCPS against such fractional entitlement to such equity shareholder; and
- (b) the shareholding of an equity shareholder of the Demerged Company is such that such equity shareholder becomes entitled to less than 10 (Ten) CCPS (“**Threshold Number**”) as per the Share Entitlement Ratio set out in Clause 10.2 of this Part V above, then the Resulting Company shall not issue CCPS in respect of such CCPS to such equity shareholder.

and the Resulting Company shall, in each event, referred to in Clause 10.4(a) and (b) of this Part V above, in lieu of the CCPS (or the fractional entitlement) to be issued, pay cash to such equity shareholder of the Demerged Company, equivalent to the Effective Date FMV of the CCPS, determined in the manner as set out in Clause 4.2 of Part VI of this Scheme, in proportion to their entitlements.

If the equity shareholders of the Demerged Company entitled to receive cash consideration under this Clause 10.4 of this Part V hold more than one-fourth in value of the equity share capital of the Demerged Company, then the Threshold Number shall stand reduced to the nearest whole number such that equity shareholders holding not less than three-fourths in value of the equity share capital in the Demerged Company become CCPS holders of the Resulting Company.

Equity shareholders of the Demerged Company to whom CCPS are issued and allotted by the Resulting Company are referred to as the “**Resulting Company Allottees**”.

The payment of cash consideration to equity shareholders of the Demerged Company who are (i) persons resident outside India, and (ii) who hold such equity shares under the repatriable route of foreign investment shall be made in the manner as set out under Clause 10.7 of this Part V below.

The CCPS issued by the Resulting Company will not be listed or admitted on any Stock Exchange(s).

- 10.5. For the purpose of allotment of CCPS of the Resulting Company, in case any member, as on Record Date, holds Bharti Airtel Equity Shares in physical form, the Resulting Company shall not issue CCPS to such member in physical form but shall, subject to Applicable Laws, issue the corresponding CCPS in dematerialised form, to a demat account held by a trustee nominated by the Board of the Resulting Company or into a suspense account opened in the name of the Resulting Company with a depository or into an escrow account opened by the Resulting Company with a depository, as determined by the Board of the Resulting Company, where such CCPS shall be held on behalf of such Resulting Company Allottees. The CCPS so held in a trustee's account or suspense account or escrow account, as the case may be, shall be transferred to the respective Resulting Company Allottees once such Resulting Company Allottees provides details of his/ her/ its demat account to the Resulting Company, along with such documents as maybe required. The respective Resulting Company Allottees shall have all the rights attached to such CCPS, including the right to receive dividend, voting rights and other corporate benefits, pending the transfer of the CCPS from the trustee. All costs and expenses incurred in this respect shall be borne by the Resulting Company.
- 10.6. The CCPS to be issued by the Resulting Company in respect of the Bharti Airtel Equity Shares which are held in abeyance under the provisions of Section 126 of the Companies Act (erstwhile Section 206A of the Companies Act, 1956) or are otherwise shall, pending

allotment or settlement of the dispute by an order of a court or otherwise, also be kept in abeyance by the Resulting Company. Further, for the avoidance of doubt, it is clarified that the CCPS to be issued by the Resulting Company in respect of Bharti Airtel Equity Shares which are (a) held in the suspense account of the Demerged Company in accordance with the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, shall also be held in a suspense account opened by the Resulting Company, and (b) transferred by the Demerged Company in the name of Investor Education and Protection Fund in accordance with Section 126(6) of the Companies Act shall also be transferred by the Resulting Company to the Investor Education and Protection Fund, in accordance with Applicable Law.

- 10.7. To give effect to the provisions of Clause 10.4 of this Part V above in relation to payment of cash consideration to a person resident outside India who holds such shares under the repatriable route of foreign investment and is to be paid cash consideration as provided under Clauses 10.4(a) and 10.4(b) of this Part V above (“**Small NR Shareholders**”), the Resulting Company shall issue and allot requisite number of CCPS to a trustee/ custodian/ merchant banker nominated by the Resulting Company, who shall hold such CCPS on behalf of the Small NR Shareholders in a separate escrow account. Within 30 (thirty) days of such issuance and allotment of the CCPS to the trustee/ custodian/ merchant banker, the Demerged Company and/or its (direct or indirect) wholly owned subsidiaries shall purchase from such trustee/ custodian/ merchant banker all the CCPS issued to the Small NR Shareholders at the Effective Date FMV. The trustee/ custodian/ merchant banker shall then distribute the proceeds from such sale to the Small NR Shareholders proportionate to CCPS issued to them.
- 10.8. The following terms shall apply to the CCPS, of the Resulting Company, issued as a consideration for the demerger:
- (a) The CCPS shall, subject to Applicable Laws, be issued in dematerialised form in accordance with the terms of this Scheme. The registers and, or, other relevant records, whether in physical or electronic form, maintained by the Resulting Company, the relevant depository and registrar and transfer agent in terms of Applicable Laws shall (as deemed necessary by the Board of the Resulting Company) be updated to reflect the issue of CCPS in terms of this Part V of this Scheme;
 - (b) The CCPS will not be listed and/ or admitted to trading on any of the Stock Exchanges. This Scheme, therefore, envisages an exit mechanism for the Resulting Company Allottees; and
 - (c) Approval of this Scheme by the equity shareholders of the Resulting Company shall be deemed to be in due compliance of the provisions of Sections 42, 55 and 62 and other applicable provisions of the Companies Act and rules made thereunder for the issue and allotment of the CCPS by the Resulting Company as provided in this Scheme.
- 10.9. In the event of there being any pending share transfers of the Bharti Airtel Equity Shares, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of the Demerged Company shall be empowered, in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in the Demerged Company as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor/ transferee of the Bharti Airtel Equity Shares and in relation to the CCPS issued by the Resulting Company upon the effectiveness of this Scheme. The Board of the Resulting Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new security holders in the Resulting Company on account of difficulties faced in the transition period.

11. Reduction of Securities Premium

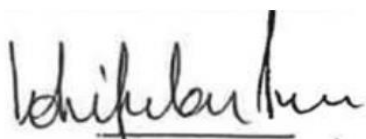
- 11.1 The reduction of securities premium of the Demerged Company on account of the transfer of reserves of the Demerged Company to the Resulting Company as per Clause 12 of this Part V below and the consequential capital reduction shall be effected as an integral part of this Scheme itself and not under a separate procedure, in terms of Section 52(1) read with Section 66 of the Companies Act, and the order of the NCLT sanctioning this Scheme shall be deemed to be an order under Section 66 of the Companies Act, or any other applicable provisions, confirming the reduction. The consent of the shareholders of the Demerged Company and the Resulting Company to this Scheme shall be deemed to be the consent of its shareholders for the purpose of effecting the reduction under the provisions of Section 52(1) read with Section 66 of the Companies Act as well and no further compliances would be separately required.
- 11.2 The Demerged Company shall not be required to add the words “and reduced” as a suffix to its name consequent upon the reduction of capital under Clause 11.1 of this Part V above.
- 11.3 The reduction of capital of the Demerged Company, as above, does not involve any diminution of liability in respect of any unpaid share capital or payment to any shareholder of any paid-up share capital or payment in any other form.

12. Accounting Treatment in the books of the Demerged Company

- 12.1 Upon the coming into effect of this Scheme and with effect from the Effective Date:
- (a) The transfer of the Telecom Business Undertaking shall be accounted for in the books of the Demerged Company in accordance with the applicable accounting standards prescribed under Section 133 of the Companies Act and/ or as per generally accepted accounting principles;
 - (b) The Demerged Company shall derecognize the respective carrying value of assets, liabilities and reserves pertaining to the Telecom Business Undertaking as appearing in financial statements of the Demerged Company as on the Effective Date;
 - (c) All the reserves (viz. securities premium, retained earnings, general reserve, share-based payment reserve, capital reserve and any other reserve) of the Telecom Business Undertaking at their carrying values, which will be computed based on proportionate net assets of the Telecom Business Undertaking and Residual Business of Demerged Company as on the Effective Date;
 - (d) In line with Clause 1.1(ccc) of Part I of this Scheme, an amount equivalent to payables in INR as at Effective Date towards FCCB (*as defined under Clause 1.1(ee) of Part I of this Scheme*) liabilities will be recoverable from the Resulting Company. Post Effective Date, financing cost (including interest, exchange differences and others, if any) on such FCCB liabilities will be reimbursed by the Resulting Company till FCCB liabilities are fully settled by the Demerged Company; and
 - (e) the difference between (i) the assets and the liabilities; and (ii) the reserves of the Telecom Business Undertaking so transferred would be recognised as business restructuring reserve (capital reserve).

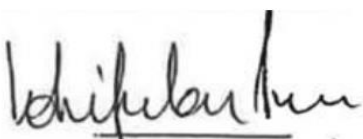
13. Accounting treatment in the books of the Resulting Company

- 13.1 Upon the Scheme becoming effective, the Resulting Company shall account for the transfer and vesting of the Telecom Business Undertaking in its books of accounts in accordance with



'Pooling of Interest Method' of accounting as laid down in Appendix-C of Ind-AS 103 (Business Combinations of entities under common control) as under:

- (a) The acquired assets and liabilities relating to the Telecom Business Undertaking would be recorded at their respective carrying amounts as appearing in financial statements of the Demerged Company as on the Effective Date;
- (b) In line with Clause 1.1(ccc) of Part I of this Scheme, an amount equivalent to payables in INR as at Effective Date towards FCCB (*as defined under Clause 1.1(ee) of Part I of this Scheme*) liabilities by the Demerged Company will be payable by the Resulting Company. Post Effective Date, financing cost (including interest, exchange differences and others, if any) on such FCCB liabilities will be reimbursed by the Resulting Company till FCCB liabilities are fully settled by the Demerged Company.
- (c) No adjustments will be made to reflect fair values and also no new assets or liabilities will be recognized;
- (d) In case of any differences in the accounting policies between the Resulting Company and the Demerged Company, the impact of the same will be quantified and adjusted in the Revenue Reserves (General Reserve and/ or Retained earnings) of the Resulting Company to ensure that the financial statements of the Resulting Company reflect the true financial position on the basis of consistent accounting policies;
- (e) The balance of the retained earnings and all other reserves appearing in the financial statements of the Demerged Company attributable to telecom business would be recognised as retained earnings and all other reserves in the books of the Resulting Company;
- (f) The identity of the reserves transferred would be preserved and would appear in the financial statements of the Resulting Company in the same form in which they appeared in the financial statements of the Demerged Company. For example, the general reserve of the Demerged Company would be recognised as a general reserve of the Resulting Company and the capital reserve of the Demerged Company would become the capital reserve of the Resulting Company. Accordingly, the reserves which are available for distribution as dividend before the business combination would also be available for distribution as dividend by the Resulting Company after the business combination;
- (g) The consideration for the said business combination as stated in Clause 10.2 and Clause 10.4 of this Part V of this Scheme *inter alia* consists of CCPS (*as defined under Clause 1.1(t) of Part I of this Scheme*). In accordance with paragraph 10 of Appendix C to Ind-AS 103, the CCPS will be recorded at par value.
- (h) The difference between carrying value of net assets (including retained earnings and other reserves as stated in Clause 13.1(e) and Clause 13.1(f) of this Part V of this Scheme above) over the consideration (the amount recorded as CCPS and cash as stated in Clause 10.2 and Clause 10.4 of this Part V of this Scheme) would be recognised as business restructuring reserve (capital reserve) and presented separately; and
- (i) The financial information in the financial statements in respect of prior periods would be restated as if the business combination had occurred from the beginning of the preceding period (would not be prior to date of incorporation of the Resulting Company) in the financial statements of the Resulting Company.



14. Conduct of Business up till Effective Date

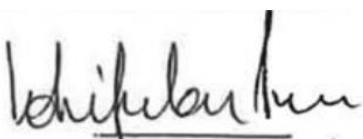
- 14.1 Subject to the effectiveness of this Scheme and with effect from the date of approval of this Scheme by the Board of the Demerged Company and the Resulting Company, and up to and including the Effective Date, the Demerged Company shall carry on the business with reasonable diligence and business prudence and in the same manner as it had been doing hitherto.
- 14.2 The Resulting Company shall also be entitled, pending the sanction of this Scheme, to apply to the Appropriate Authorities, wherever necessary, for such consents, approvals and sanctions which the Resulting Company may require including the registration, approvals, exemptions, reliefs, etc., as may be required/ granted under Applicable Law for the time being in force for carrying on business.
- 14.3 It is clarified that the Board of the Demerged Company shall have the absolute right to acquire any asset for, or sell any asset of, the Telecom Business Undertaking or the Residual Business and to raise debt for the Telecom Business Undertaking and/or the Residual Business, as per its business requirements and otherwise conduct its business in their sole discretion, up to Effective Date.

15. Arrangements between the Resulting Company and the Demerged Company, etc.

- 15.1 As on date, the Telecom Business Undertaking is being carried on as a part of the business of the Demerged Company and will continue to be carried on by the Demerged Company till Effective Date. The Telecom Business Undertaking has various inter-dependencies with the Residual Business of the Demerged Company and, therefore, the Demerged Company proposes to undertake various business relationships with the Resulting Company, on an arms' length basis, for which appropriate contracts will be entered into between the Demerged Company and the Resulting Company prior to Effective Date. Some of the key business relationships proposed between the Demerged Company and the Resulting Company, which will continue beyond Effective Date, pertain to (a) various functional support services to be provided by the Demerged Company to the Resulting Company, such as finance, logistics, procurement, human resource, shared services (including shared information technology services), marketing, etc.; (b) management services to be provided by the Demerged Company; (c) leasing and/or licensing of the various immovable property on which the certain office premises of the Telecom Business Undertaking are located; (d) sale/ leasing of hardware; (e) outsourced manpower services; and (f) indefeasible right to use the optical fiber network of the Demerged Company.
- 15.2 The Demerged Company also has certain existing agreements with certain group companies, which are important for the efficient functioning of the Demerged Company as on date. The arrangements will be continued with the Resulting Company as well and the Resulting Company will be required to enter into appropriate agreements with the Demerged Company and other related parties, for procuring various services from such related parties.
- 15.3 The agreements executed prior to Effective Date between (a) the Resulting Company and the Demerged Company, and (b) the Resulting Company and other group companies, shall be subject to the approval of the Board and shareholders of the Demerged Company and the Resulting Company (as applicable), which shall be obtained prior to Effective Date and once executed and approved by the respective Board and shareholders of the Demerged Company and the Resulting Company (as applicable), such agreements shall be binding on the parties thereto.

16. Residual Business of the Demerged Company

- 16.1 The Residual Business and all the assets, Liabilities, rights, title, interest or obligations thereto

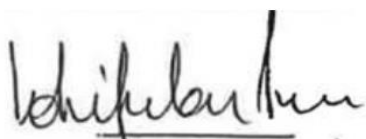


shall continue to belong to and be vested in and be managed by the Demerged Company and the Resulting Company shall have no right, claim or obligation in relation to the Residual Business.

- 16.2 All legal, Taxation and other proceedings whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company under any statute, whether pending on the Effective Date or which may be instituted at any time thereafter, and in each case pertaining to the Residual Business and the Excluded Litigations shall be continued and enforced by or against the Demerged Company. The Resulting Company shall, except as agreed between the Demerged Company and the Resulting Company, not be responsible or liable in relation to any such legal or other proceedings against the Demerged Company.
- 16.3 With effect from and beyond the Effective Date, the Demerged Company:
- (a) shall be deemed to have been carrying on and to be carrying on all the business and activities relating to the Residual Business for and on its own behalf; and
 - (b) all profits accruing to the Demerged Company thereon or losses arising or incurred by it relating to the Residual Business, shall, for all purposes be treated as the profits or losses, as the case may be, of the Demerged Company.
- 16.4 If in relation to any Liability pertaining to the Remaining Business, the lender/ creditor requires any assistance/ support (including provision of any guarantees) from the Resulting Company, the Board of Directors' of the Demerged Company and the Resulting Company may mutually discuss and agree upon the assistance, support and cooperation as requested for by the lenders/ creditors of the Demerged Company.

17. Saving of concluded transactions

- 17.1 The transfer of assets, liabilities and business to, and the continuance of proceedings by or against, the Resulting Company as envisaged in this Part V of this Scheme shall not affect any transaction or proceedings already concluded by the Demerged Company or the Resulting Company on or before Appointed Date and after Appointed Date till the Effective Date, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by the Demerged Company in respect thereto as done and executed on behalf of itself.



PART VI

GENERAL TERMS AND CONDITIONS APPLICABLE TO THIS SCHEME

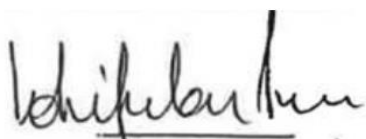
1. Application to the NCLT

- 1.1 Each of the Companies shall, as may be required, dispatch, make and file all applications and petitions under Section 230 to 232 and other applicable provisions of the Companies Act before the NCLT, for sanction of this Scheme and all matters ancillary or incidental thereto, as may be necessary to give effect to the terms of this Scheme.
- 1.2 Each of the Companies, as the case may be, shall be entitled, pending the sanction of this Scheme, to apply to Appropriate Authorities, as required, under any Applicable Law for such consents and approvals which the Companies may require to own/ transfer the assets and/or Liabilities of the Telecom Business Undertaking or to merge/ carry on the business of the Amalgamating Companies, as the case may be.

2. Sequence of Events

- 2.1 Upon this Scheme becoming effective upon completion of the conditions listed in Clause 3 of this Part VI, the following shall be deemed to have occurred and become effective and operative, only in the sequence and in the order mentioned hereunder, in the following sequence:

- (a) Part II along with this Part VI of this Scheme (to the extent this Part VI relates to Part II of this Scheme) shall take effect from the Effective Date and be operative prior to coming into effect of Part III of this Scheme and shall include:
- (i) with effect from Appointed Date, the amalgamation of the Amalgamating Company 1 with and into the Amalgamated Company in accordance with Part II of this Scheme;
 - (ii) combination of the authorised share capital of the Amalgamating Company 1 into the authorised share capital of the Amalgamated Company and consequential increase in the authorised share capital of the Amalgamated Company as provided in Part II of this Scheme;
 - (iii) cancellation of the entire existing issued and paid-up equity share capital of the Amalgamating Company 1, as held by its shareholders and their nominees, without any further application, act, instrument or deed; and
 - (iv) dissolution of the Amalgamating Company 1 without winding-up.
- (b) Part III along with this Part VI of this Scheme (to the extent this Part VI relates to Part III of this Scheme) shall take effect from the Effective Date and be operative immediately prior to coming into effect of Part IV of this Scheme and shall include:
- (i) with effect from Appointed Date, the amalgamation of the Amalgamating Company 2 with and into the Amalgamated Company in accordance with Part III of this Scheme;
 - (ii) combination of the authorised share capital of the Amalgamating Company 2 into the authorised share capital of the Amalgamated Company and consequential increase in the authorised share capital of the Amalgamated Company as provided in Part III of this Scheme;



- (iii) cancellation of the entire existing issued and paid-up equity share capital of the Amalgamating Company 2, as held by its shareholders and their nominees, without any further application, act, instrument or deed; and
 - (iv) dissolution of the Amalgamating Company 2 without winding-up.
- (c) Part IV along with this Part VI of this Scheme (to the extent this Part VI relates to Part IV of this Scheme) shall take effect from the Effective Date and be operative prior to coming into effect of Part V of this Scheme and shall include:
- (i) with effect from Appointed Date, the amalgamation of the Amalgamating Company 3 with and into the Amalgamated Company in accordance with Part IV of this Scheme;
 - (ii) combination of the authorised share capital of the Amalgamating Company 3 into the authorised share capital of the Amalgamated Company and consequential increase in the authorised share capital of the Amalgamated Company as provided in Part IV of this Scheme;
 - (iii) cancellation of the entire existing issued and paid-up equity share capital of the Amalgamating Company 3, as held by its shareholders and their nominees, without any further application, act, instrument or deed; and
 - (iv) dissolution of the Amalgamating Company 3 without winding-up.
- (d) Part V along with this Part VI of this Scheme (to the extent this Part VI relates to Part IV of this Scheme) shall take effect from the Effective Date and be operative immediately after coming into effect of Part IV of this Scheme and shall include:
- (i) with effect from Appointed Date, the demerger of the Telecom Business Undertaking from the Demerged Company and the vesting of the same in the Resulting Company, in accordance with Part V of this Scheme;
 - (ii) combination of a portion of the authorised equity share capital of the Demerged Company into the Resulting Company and consequential increase in the authorised share capital of the Resulting Company and the reclassification of the authorised share capital of the Resulting Company as provided in Part V of this Scheme; and
 - (iii) issue and allotment of CCPS of the Resulting Company as provided in Part V of this Scheme.

3. Conditionality of this Scheme

- 3.1. The effectiveness of this Scheme shall be conditional upon satisfaction or waiver (if applicable) of the following conditions and this Scheme shall take effect from the later of any of the dates set out below:
- (a) Approval of the Appropriate Authorities for the transactions contemplated under this Scheme; and
 - (b) Certified copies of the order of the NCLT sanctioning this Scheme being filed with the RoC, by each of the Companies.

4. Exit Rights in relation to CCPS

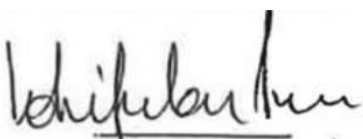
- 4.1 Upon issuance and allotment of the CCPS to the Resulting Company Allottees, the Resulting Company Allottees (except as provided under Clause 10.4 of Part V of this Scheme) shall have the right to tender the CCPS issued to them to the Demerged Company and/or its (direct or indirect) wholly owned subsidiaries, at anytime on or prior to 3 (three) years from the Effective Date by issuing a transfer notice to the Demerged Company for sale of all the CCPS held by such Resulting Company Allottee by providing the relevant information in the format prescribed under **Schedule 5** (“**Transfer Notice**”) of this Scheme and that the Demerged Company and/ or its (direct or indirect) wholly owned subsidiaries, as the case maybe, shall purchase such CCPS within 30 (thirty) days from the date of receipt of such Transfer Notice at the then Prevailing Fair Market Value. Pursuant to the issuance of the Transfer Notice, the Resulting Company Allottees shall undertake such steps as required under Applicable Law for completion of the transfer of the CCPS, including issuance of appropriate transfer instructions to depositories/ depository participants as the case may be. The Resulting Company Allottees shall be responsible for obtaining all requisite approvals for the purchase of the CCPS by the Demerged Company and/or its (direct or indirect) wholly owned subsidiaries, as the case maybe, at their own expense.
- 4.2 The fair market value of the CCPS (“**Prevailing Fair Market Value**”) shall be determined by a registered valuer and shall be valid for a period of 6 (six) months from such determination. The process for determination of the Prevailing Fair Market Value shall be repeated at expiry of each period of 6 (six) months till the expiry of 3 (three) years from the Effective Date. The initial Prevailing Fair Market Value as on the Effective Date shall be notified by the Demerged Company and/or its (direct or indirect) wholly owned subsidiaries on or prior to the Record Date and shall be valid for a period of 6 (six) months from the Effective Date (“**Effective Date FMV**”). The updated Prevailing Fair Market Value shall also be notified by the Demerged Company and/ or its (direct or indirect) wholly owned subsidiaries.
- 4.3 The payment by the Demerged Company and/or its (direct or indirect) wholly owned subsidiaries to the Resulting Company Allottees for the CCPS tendered, shall be subject to withholding taxes (if any).
- 4.4 The Board of the Demerged Company and the Resulting Company shall, if and to the extent required, apply for and obtain any approvals from the concerned Appropriate Authority for the transactions as contemplated in this Scheme.

5. Further allotment by the Resulting Company

- 5.1 Bharti Airtel and/ or its (direct or indirect) wholly owned subsidiaries shall subscribe to, and the Resulting Company shall, issue and allot to Bharti Airtel and/ or its (direct or indirect) wholly owned subsidiaries 49,87,40,000 equity shares at Rs. 10/- per equity share, fully paid, at anytime on or prior to the Effective Date.

6. Alteration to the Memorandum of Association of the Demerged Company and the Resulting Company

- 6.1 Under the accepted principle of ‘single window clearance’, it is hereby provided that the change in the capital clause of the Demerged Company and the Resulting Company pursuant to Clause 8 of Part II, Clause 8 of Part III, Clause 8 of Part IV and Clause 9 of Part V of this Scheme, shall become operative upon the Effective Date by virtue of the fact that the shareholders of the Demerged Company and the Resulting Company, while approving this Scheme as a whole, have also resolved and accorded the relevant consents as required respectively under Sections 13, 61 and Section 232 or any other provisions of the Companies Act, and there shall not be a requirement to pass separate resolutions as required under the Companies Act.



- 6.2 The approval and consent of this Scheme by the shareholders of the Demerged Company and the Resulting Company shall be deemed to be their approval and consent by way of special resolution under Section 13 of the Companies Act for the change in the capital clause of the Demerged Company and the Resulting Company as contemplated herein and shall be deemed to be sufficient for the purpose of effecting the amendments in the memorandum of association and articles of association, as applicable, of the Demerged Company and the Resulting Company in relation to the change in the capital clause of the Demerged Company and the Resulting Company in accordance with Sections 13, 14, 61, 64 and any other applicable provisions of the Companies Act. The sanction of this Scheme by the NCLT shall be deemed and no further resolution(s) would be required to be separately passed to be in compliance of Sections 4, 13, 14, 61, 64 and any other applicable provisions of the Companies Act for the purpose of effecting the change in the capital clause of the Demerged Company and the Resulting Company.
- 6.3 Clause V of the memorandum of association and articles of association, as applicable, of the Demerged Company and the Resulting Company shall stand amended to give effect to the relevant provisions of this Scheme.
- 6.4 The approval and consent of the shareholders of the Demerged Company and the Resulting Company to this Scheme shall be deemed to be their approval and consent also to the alteration of the memorandum of association and articles of association, as applicable, of the Demerged Company and the Resulting Company, as required under Sections 13, 14, 61, 64 and any other applicable provisions of the Companies Act.

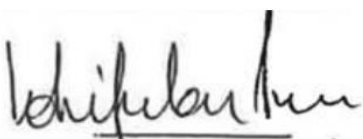
7. Revocation, Withdrawal of this Scheme

- 7.1 Subject to the order of the NCLT, the Board of the Demerged Company shall be entitled to revoke, cancel, withdraw and declare this Scheme of no effect at any stage if, (a) this Scheme is not being sanctioned by the NCLT or if any of the consents, approvals, permissions, resolutions, agreements, sanctions and conditions required for giving effect to this Scheme are not obtained or for any other reason; (b) in case any condition or alteration imposed by the shareholders and/or creditors of the Companies, the NCLT or any other authority is not acceptable to the Board of the Demerged Company; or (c) the Board of the Demerged Company is of the view that the coming into effect of this Scheme, in terms of the provisions of this Scheme, or filing of the drawn up the order with any Appropriate Authority could have an adverse implication on all or any of the Companies. On revocation, withdrawal, or cancellation, this Scheme shall stand revoked, withdrawn, cancelled and be of no effect and in that event, no rights and Liabilities whatsoever shall accrue to or be incurred *inter se* between the Companies or their respective shareholders or creditors or employees or any other person, save and except in respect of any act or deed is done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the Applicable Law and in such case, the Demerged Company shall bear all costs relating to this Scheme unless otherwise mutually agreed.

8. Effect of Non-Receipt of Approvals

- 8.1 In case this Scheme is not sanctioned by the NCLT, or in the event, this Scheme cannot be implemented due to any of consents, approvals, permissions, resolutions, agreements, sanctions or conditions enumerated in this Scheme not being obtained or complied with, unless waived by the Board of the Demerged Company (to the extent permitted under Applicable Laws), or for any other reason, then, this Scheme shall become null and void.

9. Costs, Charges and Expenses



9.1 All costs, charges, fees, Taxes including duties, stamp duties, levies and all other expenses, if any (save as expressly agreed otherwise or if directed by the NCLT) arising out of, or incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne as maybe mutually agreed among the Demerged Company, the Resulting Company and the Amalgamating Companies.

10. Dividends

10.1 Each of the Companies shall be entitled to declare and make a distribution/ pay dividends, whether interim or final and/or issue bonus shares to their respective shareholders prior to the Effective Date, in accordance with Applicable Law. Any declaration of dividend or other distribution of capital or income by the Demerged Company, the Resulting Company or the Amalgamating Companies shall be consistent with the dividend policies and past practices of such Companies.

10.2 It is clarified that the aforesaid provisions in respect of the declaration of dividends (whether interim or final) are enabling provisions and shall not be deemed to confer any right on any shareholder of the Demerged Company, the Resulting Company or the Amalgamating Company, as the case may be, to demand or claim or be entitled to any dividends which, subject to the provisions of the Companies Act, shall be entirely at the discretion of the Board of the Demerged Company, the Resulting Company or the Amalgamating Company, as the case may be, and subject to approval, if required, of the shareholders of the relevant companies.

11. Compliance with Applicable Laws

11.1 Each of the Companies undertake to comply with all the Applicable Laws (including all applicable compliances required by SEBI and the Stock Exchanges), including making the requisite intimations and disclosures to any statutory or regulatory authority and obtaining the requisite consent, approval or permission of the Appropriate Authorities or any other statutory or regulatory authority, which by Applicable Law may be required for the implementation of this Scheme or which by Applicable Law may be required in relation to any matters connected with this Scheme.

11.2 Since Bharti Airtel is a listed company, this Scheme is subject to the compliances of the applicable requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and the Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 issued by SEBI regarding Schemes of Arrangement by Listed Entities and Relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957, as amended from time to time (“**SEBI Circular**”) and all other statutory directives of SEBI, as applicable.

11.3 Para 9(b) of Annexure I of the SEBI Circular is applicable to this Scheme, therefore Bharti Airtel will provide voting by the public shareholders through e-voting and will disclose all material facts in the explanatory statement, to be sent to the shareholders/ creditors in relation to the said resolution(s). This Scheme shall be acted upon only if the number of votes cast by the public shareholders of Bharti Airtel in favour of this Scheme are more than the number of votes cast by the public shareholders against it in terms of the SEBI Circular.

11.4 Bharti Airtel is in compliance with minimum public shareholding requirements on a fully diluted basis.

12. Modification or Amendment to this Scheme

12.1 Each of the Companies, through mutual consent and acting through their respective Boards,

may jointly and as mutually agreed in writing in their full and absolute discretion, assent to any alteration(s) or modification(s) to this Scheme, in part or in whole, which the NCLT may deem fit to approve or impose, and/or effect any other modification or amendment jointly and mutually agreed in writing, including without limitation, any modifications to the accounting treatment set out in this Scheme due to change in any regulatory or compliance requirements being made applicable to the Companies or to the matters set forth in this Scheme, and do all acts, deed and things as may be necessary, desirable or expedient for the purpose of giving effect to this Scheme.

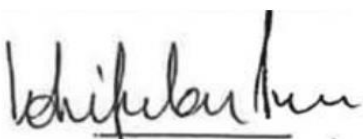
- 12.2 If any part of this Scheme is held invalid, ruled illegal by any court of competent jurisdiction, or becomes unenforceable for any reason, whatsoever, whether under present or future laws, then it is the intention of the Companies that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to either of the Companies in which case the Companies shall attempt to bring about a modification in this Scheme, as will best preserve for the Companies the benefits and obligations of this Scheme, including but not limited to such part.

13. Removal of Difficulties

- 13.1 Each of the Companies may, through mutual consent and acting through their respective Board of Directors, agree to take steps, as may be necessary, including but not limited to making any modification to this Scheme, desirable or proper, to resolve all doubts, difficulties or questions, whether by reason of any orders of the NCLT or of any directive or orders of any Appropriate Authorities or otherwise arising out of, under or by virtue of this Scheme in relation to the arrangement contemplated in this Scheme and / or matters concerning or connected therewith. After the dissolution of the Amalgamating Companies the Amalgamated Company and the Resulting Company through their respective Board of Directors shall be authorised to take such steps, as may be necessary, desirable or proper to resolve any doubts, difficulties or questions, whether by reasons of any order of the court(s) or of any directive or order of any other Appropriate Authorities or otherwise, however, arising out of, under or by virtue of this Scheme in relation to the arrangement contemplated in this Scheme and / or matters concerning or connected therewith.

14. Miscellaneous

- 14.1 The various Sections of this Scheme are inextricably inter-linked with each other and this Scheme constitutes an integral whole. This Scheme shall be given effect only in its entirety and in the sequence and order mentioned in Clause 2 of this Part VI of this Scheme.
- 14.2 It is hereby clarified that the Board of the Companies may decide to implement any of the parts of this Scheme in phases to give effect to the intent of this Scheme.



SCHEDULE 1

TERMS OF CCPS

1. Face Value

The CCPS shall have a face value of Rs. 100/- (Indian Rupees One Hundred only) per CCPS.

2. Dividend Rate

The CCPS shall carry a dividend rate of 0.01%, denominated in INR.

3. Nature

3.1 The CCPS are non-cumulative non-participating, compulsorily and fully convertible preference shares.

3.2 The CCPS constitute direct, unsubordinated, unconditional and unsecured obligations of the Company and shall at all times rank *pari passu* and without any preference or priority among themselves.

3.3 The CCPS holders will be entitled to their CCPS free from any rights or claims or other encumbrances.

4. Dividend Rights

The CCPS shall, subject to the provisions of the Articles of Association of the Resulting Company and subject to the provisions of the Companies Act, have the right to receive such amount of dividend (subject to applicable taxes).

5. Voting Rights

The CCPS holder shall have the right to vote in accordance with Section 47 of the Companies Act.

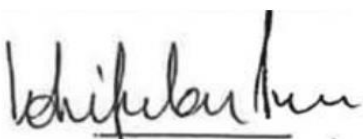
6. Conversion

6.1 Upon conversion of CCPS, the equity shares of the Resulting Company issued will, in all respects, rank *pari passu* with the equity shares of the Resulting Company in issue on the date of conversion.

6.2. Mandatory Conversion

(a) Each of the outstanding CCPS shall automatically and mandatorily be converted into equity shares of the Resulting Company in accordance with Paragraph 6.3 below on the Mandatory Conversion Date. “**Mandatory Conversion Date**” means the earlier of: or (i) the date falling on the 10th anniversary of the issuance of CCPS; or (ii) the date on which the CCPS are required by Applicable Law to be mandatorily converted into equity shares;

(b) Such conversion shall be automatic without any requirement of any further act on the part of the relevant CCPS holder. The relevant CCPS holder shall be deemed to have (i) applied for the allotment of equity shares of the Resulting Company; and (ii) authorised the Resulting Company to enter its name in the register of members or any other relevant record or depository of the Resulting Company for the equity shares of the Resulting Company allotted on conversion.

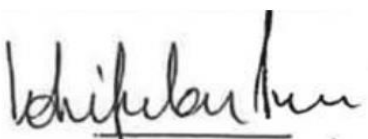


6.3. Manner of Conversion

The number of equity shares to be issued to the CCPS holders upon the conversion of the CCPS under Paragraph 6 shall be determined as follows:

10 (Ten) equity shares of Rs. 10 (Indian Rupees Ten) each against 1 (One) CCPS of Rs. 100 (Indian Rupees One Hundred) each.

- 6.4. All costs and expenses (including stamp duty and valuation expenses) on the creation, issue, conversion of the CCPS and on the issuance of the equity shares shall be to the account of the Resulting Company.



SCHEDULE 2

ASSETS AND LIABILITIES OF THE TELECOM BUSINESS UNDERTAKING AS ON DECEMBER 31, 2020

**1. SHORT DESCRIPTION OF LAND, BUILDING, PLANT & MACHINERY & OTHER
FIXED ASSETS**

**1.1 PLANT, PROPERTY & EQUIPMENT & CAPITAL WORK IN PROGRESS & RIGHT TO
USE**

S. No.	Particulars	Amount (Rs. in Million)
1.	Property plant and equipment	5,31,035
2.	Capital work in progress	23,495
3.	Right of use asset	2,95,864
	Total	8,50,394

1.2 INTANGIBLE ASSETS & INTANGIBLE ASSETS UNDER DEVELOPMENT

S. No.	Particulars	Amount (Rs. in Million)
1.	Spectrum & Others	6,76,428
	Total	6,76,428

2. DETAILS OF OTHER NON CURRENT ASSETS

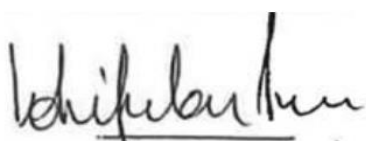
S. No.	Particulars	Amount (Rs. in Million)
1.	Loans and security deposits	5,624
2.	Other financial assets	11,121
3.	- Other Non - financial assets	47,485
4.	- Deferred tax asset	1,58,688
5.	Others	739
	Total	2,23,657

**3. DETAILS OF CURRENT ASSETS, LOANS AND ADVANCES AND OTHER FIXED
ASSETS**

S. No.	Particulars	Amount (Rs. in Million)
1.	Bank balances and cash & cash equivalents	4,975
2.	Derivative financial assets	13
3.	Inventory	1
4.	Other financial asset	1,76,233
5.	Other non-financial assets	1,05,685
6.	- Short term investments	4,664
7.	- Trade receivables	54,036
	Total	3,45,605

4. DETAILS OF BORROWING

S. No.	Particulars	Amount (Rs. in Million)
1.	Borrowings - Non Current & Current portion of long term debts	8,33,788
2.	- Borrowings – Current	22,516
	Total	8,56,304

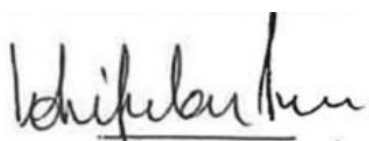


5. **DETAILS OF NON CURRENT LIABILITIES**

S. No.	Particulars	Amount (Rs. in Million)
1.	Deferred revenue	13,793
2.	Lease liabilities	3,00,160
3.	Other financial liabilities	89,069
4.	- Provisions	2,194
	Total	4,05,216

6. **DETAILS OF CURRENT LIABILITIES**

S. No.	Particulars	Amount (Rs. in Million)
1.	Deferred revenue	45,027
2.	Derivative financial liabilities	732
3.	Lease liabilities	50,317
4.	Other financial liabilities	87,710
5.	- Other non-financial Liabilities	9,999
6.	- Provisions	1,94,255
7.	- Trade payables	2,38,871
	Total	6,26,911



SCHEDULE 3

DETAILS OF SPECTRUM ALLOTTED IN RELATION TO THE TELECOM BUSINESS UNDERTAKING AS ON APRIL 14, 2021

S. No.	Service Area	License Expiry	800 Band ("A")			900 Band ("B")				1800 Band ("C")			
			Admin	Liberalized	2021 Auction	Expiry in 2021	Admin	Liberalized	2021 Auction	Expiry in 2021	Admin	Liberalized	2021 Auction
1.	Andhra Pradesh	March 2, 2034	-	3.75			-	9.00			-	21.40	
2.	Assam	July 7, 2024	-	-	-		1.80	6.20			4.40	11.05	-
3.	Bihar	February 9, 2024	-	-	-		6.20	1.60	3.40		3.00	12.20	2.80
4.	Delhi	March 2, 2034	-	1.25			-	6.00			-	7.00	
5.	Gujarat	September 27, 2021	-	-	-		-	-	4.20	6.20	-	10.00	-
6.	Haryana	September 27, 2021	-	1.25	3.75		-	-		6.20	-	10.00	-
7.	Himachal Pradesh	March 2, 2034	-	-	-		-	7.40	2.60		-	10.20	4.80
8.	Jammu & Kashmir	February 09, 2024	-	-	-		6.20	-			-	5.00	10.00
9.	Karnataka	March 2, 2034	-	-	-		-	8.80			-	8.80	11.20
10.	Kerala	September 27, 2021	-	-	-		-	-	4.60	6.20	-	5.00	5.00
11.	Kolkata	March 2, 2034	-	-	-		-	7.00			-	9.00	1.00
12.	Madhya Pradesh	September 27, 2021	-	-	5.00		-	-		6.20	-	10.80	4.20
13.	Maharashtra	September 27, 2021	-	2.50	2.50		-	-		8.20	-	15.00	-

14.	Mumbai	September 27, 2021	-	2.50			-	5.00		9.20	-	11.00	
15.	North East	December 11, 2035	-	-	-		-	8.80	1.20		-	10.00	-
16.	Orissa	February 09, 2024	-	-			6.20	1.20	3.80		0.60	11.20	2.60
17.	Punjab	March 02, 2034	-	-	-		-	10.00			-	10.00	5.00
18.	Rajasthan	December 11, 2035	-	-	-		-	6.00			-	10.00	-
19.	Tamil Nadu	September 27, 2021	-	-		6.20	-	-	5.00	3.00	-	5.00	15.00
20.	Uttar Pradesh (East)	February 09, 2024	-	-	-		6.20	-	5.00		1.00	11.80	3.20
21.	Uttar Pradesh (West)	September 27, 2021	-	-	5.00		-	-		6.20	-	12.00	3.00
22.	West Bengal	February 10, 2024	-	-	-		4.40	2.20	2.80		-	6.20	3.80
Total			-	11.25	16.25	6.20	31.00	79.20	32.60	51.40	9.00	222.65	71.60

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S. No.	Service Area	License Expiry	2100 Band ("D")			2300 Band ("E")			Total (A + B + C + D + E and Excluding Expiry in 2021)						
			Admin	Liberalized	2021 Auction	Admin	Liberalized	2021 Auction	Admin	Liberalized	2021 Auction	Total	Spectrum in Sub Ghz Band	Spectrum in Mid Bands	Total
1.	Andhra Pradesh	March 2, 2034	-	5.00		-	15.00	-	-	54.15	-	54.15	12.75	41.40	54.15
2.	Assam	July 7, 2024	-	5.00	5.00	-	15.00	5.00	6.20	37.25	10.00	53.45	8.00	45.45	53.45
3.	Bihar	February 9, 2024	-	10.00		-	15.00	5.00	9.20	38.80	11.20	59.20	11.20	48.00	59.20
4.	Delhi	March 2, 2034	-	10.00		-	15.00	-	-	39.25	-	39.25	7.25	32.00	39.25
5.	Gujarat	September 27, 2021	-	10.00		-	15.00	5.00	-	35.00	9.20	44.20	4.20	40.00	44.20
6.	Haryana	September 27, 2021	-	10.00		-	10.00	10.00	-	31.25	13.75	45.00	5.00	40.00	45.00
7.	Himachal Pradesh	March 2, 2034	-	5.00		-	15.00	5.00	-	37.60	12.40	50.00	10.00	40.00	50.00
8.	Jammu & Kashmir	February 09, 2024	-	10.00		-	10.00	10.00	6.20	25.00	20.00	51.20	6.20	45.00	51.20
9.	Karnataka	March 2, 2034	-	10.00		-	15.00	-	-	42.60	11.20	53.80	8.80	45.00	53.80
10.	Kerala	September 27, 2021	-	10.00		-	10.00	5.00	-	25.00	14.60	39.60	4.60	35.00	39.60
11.	Kolkata	March 2, 2034	-	-		-	15.00	-	-	31.00	1.00	32.00	7.00	25.00	32.00
12.	Madhya Pradesh	September 27, 2021	-	10.00		-	10.00	5.00	-	30.80	14.20	45.00	5.00	40.00	45.00
13.	Maharashtra	September 27, 2021	-	10.00		-	10.00	5.00	-	37.50	7.50	45.00	5.00	40.00	45.00
14.	Mumbai	September 27, 2021	-	5.00		-	15.00	-	-	38.50	-	38.50	7.50	31.00	38.50
15.	North East	December 11, 2035	-	5.00	5.00	-	15.00	5.00	-	38.80	11.20	50.00	10.00	40.00	50.00
16.	Orissa	February 09, 2024	-	5.00		-	15.00	5.00	6.80	32.40	11.40	50.60	11.20	39.40	50.60

17.	Punjab	March 02, 2034	-	5.00		-	10.00	10.00	-	35.00	15.00	50.00	10.00	40.00	50.00
18.	Rajasthan	December 11, 2035	-	15.00		-	10.00	10.00	-	41.00	10.00	51.00	6.00	45.00	51.00
19.	Tamil Nadu	September 27, 2021	-	10.00		-	15.00	-	-	30.00	20.00	50.00	5.00	45.00	50.00
20.	Uttar Pradesh (East)	February 09, 2024	-	5.00		-	10.00	10.00	7.20	26.80	18.20	52.20	11.20	41.00	52.20
21.	Uttar Pradesh (West)	September 27, 2021	-	10.00		-	10.00	10.00	-	32.00	18.00	50.00	5.00	45.00	50.00
22.	West Bengal	February 10, 2024	-	5.00	5.00	-	15.00	5.00	4.40	28.40	16.60	49.40	9.40	40.00	49.40
Total			-	170.00	15.00	-	285.00	110.00	40.00	768.10	245.45	1,053.55	170.30	883.25	1,053.55

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SCHEDULE 4

DETAILS OF TELECOMMUNICATION LICENSES ISSUED BY DOT IN RELATION TO THE TELECOM BUSINESS UNDERTAKING AS ON APRIL 14, 2021

S. No.	Nature of License	Authorization & Service Area	License / Registration Details	License Valid till
1.	UASL	Mumbai	842-552/2005-VAS dated Feb 25, 2005	Sep 27, 2021
2.	UASL	Maharashtra	842-546/2005-VAS dated Feb 04, 2005	Sep 27, 2021
3.	UASL	Gujarat	842-554/2005-VAS dated Feb 22, 2005	Sep 27, 2021
4.	UASL	Tamil Nadu	842-549/2005-VAS dated March 16, 2005	Sep 27, 2021
5.	UASL	Kerala	842-553/2005-VAS dated Feb 22, 2005	Sep 27, 2021
6.	UASL	Madhya Pradesh	842-548/2005-VAS dated March 16, 2005	Sep 27, 2021
7.	UASL	Haryana	842-555/2005-VAS dated Feb 22, 2005	Sep 27, 2021
8.	UASL	Uttar Pradesh (West)	842-545/2005-VAS dated Feb 04, 2005	Sep 27, 2021
9.	UASL	Uttar Pradesh (East)	20-219/2003-BHARTI/BS-III dated Feb 10, 2004	Feb 9, 2024
10.	UASL	Bihar	20-204/2003-BHARTI/BS-III dated Feb 10, 2004	Feb 9, 2024
11.	UASL	Jammu & Kashmir	20-208/2003-BHARTI/BS-III dated Feb 10, 2004	Feb 9, 2024
12.	UASL	Orissa	20-214/2003-BHARTI/BS-III dated Feb 10, 2004	Feb 9, 2024
13.	UASL	West Bengal	20-201/2003-BHARTI/BS-III dated Feb 11, 2004	Feb 10, 2024
14.	UASL	Assam	20-203/2004-BHARTI/BS-III dated Sept 17, 2004	July 7, 2024
15.	UASL	Delhi	20-430/2014 AS - I/39 dated 16 Oct 2014, Chapter VIII of UL	Mar 2, 2034
16.	UASL	Kolkata	20-430/2014 AS - I/39 dated 16 Oct 2014, Chapter VIII of UL	Mar 2, 2034
17.	UASL	Andhra Pradesh	20-430/2014 AS - I/39 dated 16 Oct 2014, Chapter VIII of UL	Mar 2, 2034
18.	UL	Himachal Pradesh	20-430/2014 AS - I/39 dated 16 Oct 2014, Chapter VIII of UL	Mar 2, 2034

19.	UL	Punjab	20-430/2014 AS - I/39 dated 16 Oct 2014, Chapter VIII of UL	Mar 2, 2034
20.	UL	Karnataka	20-430/2014 AS - I/39 dated 16 Oct 2014, Chapter VIII of UL	Mar 2, 2034
21.	UL	ISP Category A – National	20-430/2014 AS - I/39 dated 16 Oct 2014, Chapter IX of UL	Mar 2, 2034
22.	UL	VSAT CUG – National	20-430/2014 AS - I/39 dated 16 Oct 2014, Chapter XIV of UL	Mar 2, 2034
23.	NLD	All India	10-25/2001-BS-I (01) dated 29 Nov 2001	Nov 28, 2021
24.	ILD	All India	10-07/2002-BS-I (ILD - 02) dated 14 Mar 2002	Mar 13, 2022
25.	IFMC	IFMC Service	20-813/2019 AS - I dated 20 August 2019	Aug 19, 2029

- Unified Access Service License (“**UASL**”)
- Unified License (“**UL**”)
- National Long Distance (“**NLD**”)
- International Long Distance (“**ILD**”)
- In Flight and Maritime Connectivity (“**IFMC**”)

Whifuburhu

SCHEDULE 5

DRAFT OF THE TRANSFER NOTICE TO BE ISSUED THE MERCHANT BANKER

Date: [•]

To,

Bharti Airtel Limited,
Airtel Center, Plot No. 16,
Udyog Vihar, Phase-IV,
Gurgaon, Haryana – 122015.

Dear Sir / Ma'am,

Re : Composite scheme of arrangement between Bharti Airtel Limited, Nettle Infrastructure Investments Limited, Airtel Digital Limited, Telesonic Networks Limited and Airtel Limited and their respective shareholders and creditors (“Scheme”)

1. We refer to Clause 4 of Part VI of the Scheme, which enables the Resulting Company Allottees to tender the CCPS issued to them to the Demerged Company and/or its (direct or indirect) wholly owned subsidiaries in accordance with the terms of the Scheme.
2. Pursuant to the Scheme, we were issued [insert] CCPS.
3. Accordingly, [I/we] hereby issue this Transfer Notice under Clause 4.1 of Part VI of the Scheme, to sell the below mentioned number of CCPS at the Prevailing Fair Market Value.

No. of CCPS	Distinctive Number	Account Details
[•]	[•]	[•]

The above constitutes all the CCPS held by me/us in Airtel Limited.

4. The completion of sale and purchase of the CCPS shall take place in accordance with Clauses 4.1 of Part VI of the Scheme and that the payment for the CCPS tendered shall be remitted to the bank account, details of which are provided below:

Bank Account Details
[•]

5. [I/ We] hereby declare that all the information provided above is true and accurate to the best of our knowledge.
6. Our contact information is as follows:
Address: [•]
Email: [•]
Contact: [•]

Capitalised terms used in this letter, unless specifically defined herein, shall have the meanings ascribed to such terms under the Scheme.

Yours faithfully,

.....
[•]