

1008
27/02/2020

**NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH
AHMEDABAD
Court 2**

CP(CAA) 124 of 2019 in CA (CAA) 96/NCLT/AHM/2019

**Coram: HON'BLE Ms. MANORAMA KUMARI, MEMBER JUDICIAL
HON'BLE Mr. CHOCKALINGAM THIRUNAVUKKARASU, MEMBER TECHNICAL**

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF AHMEDABAD BENCH
OF THE NATIONAL COMPANY LAW TRIBUNAL ON 18.02.2020**

Name of the Company: Vodafone Idea Ltd

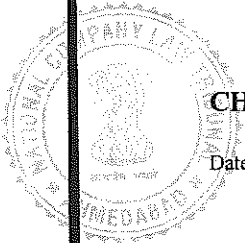
Section : Section 230-232 of the Companies Act, 2013

<u>S.NO.</u>	<u>NAME (CAPITAL LETTERS)</u>	<u>DESIGNATION</u>	<u>REPRESENTATION</u>	<u>SIGNATURE</u>
1.	SANDEEP SINGHI	ADVOCATES	PETITIONER	PARINI
2.	PARINI SHARMA FOR SINGHI & CO			

ORDER

The Petitioner is represented through learned counsel.

In compliance of the order dated 17.02.2020, the Learned Lawyer for the Petitioner has filed affidavit. Seen the affidavit, the order is pronounced in the open court vide separate sheet.



Chockalingam
**CHOCKALINGAM THIRUNAVUKKARASU
MEMBER TECHNICAL**

Dated this the 18th day of February, 2020

Manorama
**MANORAMA KUMARI
MEMBER JUDICIAL**

**NATIONAL COMPANY LAW TRIBUNAL,
AHMEDABAD BENCH
AHMEDABAD**

C.P.(CAA) NO. 123/NCLT/AHM/2019
IN
C.A. (CAA) NO.95/NCLT/AHM/2019
C.P.(CAA) NO. 122/NCLT/AHM/2019
IN
C.A.(CAA) NO. 94/NCLT/AHM/2019
C.P(CAA) NO. 124/NCLT/AHM/2019
IN
C.P.(CAA) NO. 96/NCLT/AHM/2019

In the matter of:

Vodafone India Digital Limited,
a company incorporated under the
provisions of the Companies Act, 2013
and having its registered office at
Vodafone House,
Corporate Road,
Prahlad Nagar,
Off S. G. Highway,
Ahmedabad - 380 051,
Gujarat, India.

.....Petitioner Transferor Company 1

Idea Telesystems Limited,
a company incorporated under the
provisions of the Companies Act, 1956
and having its registered office at
Vodafone House,
Corporate Road,
Prahlad Nagar,
Off S. G. Highway,
Ahmedabad - 380 051,
Gujarat, India.

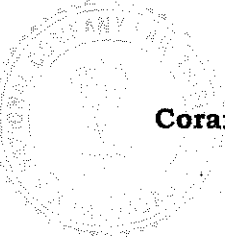
.....Petitioner Transferor Company 2

Vodafone Idea Limited,
a company incorporated under the
provisions of the Companies Act, 1956
and having its registered office at Suman
Tower,
Plot No. 18, Sector-11, Gandhinagar,
382 011,
Gujarat, India.

.....Petitioner Transferee Company

Order delivered 17th February, 2020

**Coram: Hon'ble Ms. Manorama Kumari, Member (J)
Hon'ble Mr. Chockalingam Thirunavukkarasu, Member (T)**



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Manorama

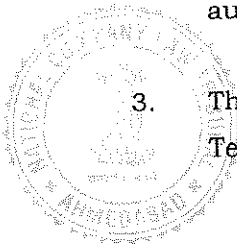
Appearance: Mr. Sandeep Singhi with Ms. Parini Shah for M/s. Singhi & Co.,
Advocates, for the Petitioner Companies

COMMON ORDER

[Per: Ms. Manorama Kumari, Member (J)]

1. The instant petitions are filed by the Petitioner Companies for sanctioning of the Scheme of Amalgamation of Vodafone India Digital Limited, the "Petitioner Transferor Company 1" and Idea Telesystems Limited, the "Petitioner Transferor Company 2", (the Petitioner Transferor Company 1 and the Petitioner Transferor Company 2 together referred to as the "Petitioner Transferor Companies") with Vodafone Idea Limited (hereinafter referred to as the "Petitioner Transferee Company") (Scheme).
2. The Petitioner of the C.P. (CAA) No. 123/NCLT/AHM/2019, i.e., Vodafone India Digital Limited, the Petitioner Transferor Company 1 filed an application before this Tribunal being C.A. (CAA) No. 95/NCLT/AHM/2019, inter alia, for seeking dispensation from the convening and holding of the meeting of the Equity Shareholders of the Petitioner Transferor Company 1. This Tribunal vide its order dated 5.9.2019, inter alia, dispensed with convening and holding of the meeting of the Equity Shareholders of the Petitioner Transferor Company 1. Since this Tribunal observed that there are no Secured Creditors and Unsecured Creditors in the Petitioner Transferor Company 1, this Tribunal was of the view that there is no requirement to convene and hold the meetings of Secured Creditors and Unsecured Creditors of the Petitioner Transferor Company 1. This Tribunal directed the Petitioner Transferor Company 1 to send notices under Section 230(5) of the Companies Act, 2013 to (i) the Central Government through Regional Director, North-Western Region; (ii) Registrar of Companies, Gujarat; (iii) Official Liquidator; and (iv) concerned Income-Tax Authorities. The Petitioner Transferor Company 1 in compliance with the aforesaid order dated 05.09.2019 filed affidavit of service dated 14.10.2019 before this Tribunal, confirming the service of notices upon the aforesaid statutory authorities.

3. The Petitioner of the C.P. (CAA) No. 122/NCLT/AHM/2019, i.e., Idea Telesystems Limited, the Petitioner Transferor Company 2 filed an



Sandeep Singhi

Manorama Kumari

application before this Tribunal being C.A. (CAA) No. 94/NCLT/AHM/2019, inter alia, for seeking dispensation from convening and holding of the meetings of the Equity Shareholders and Unsecured Creditors of the Petitioner Transferor Company 2. This Tribunal vide its order dated 5.9.2019, inter alia, dispensed with convening and holding of the meetings of the Equity Shareholders and Unsecured Creditors of the Petitioner Transferor Company 2. Since this Tribunal observed that there are no Secured Creditors in the Petitioner Transferor Company 2, this Tribunal was of the view that there is no requirement to convene and hold the meeting of Secured Creditors of the Petitioner Transferor Company 2. This Tribunal also directed the Petitioner Transferor Company 2 to send notices under Section 230(5) of the Companies Act, 2013 to (i) the Central Government through Regional Director, North-Western Region; (ii) Registrar of Companies, Gujarat; (iii) Official Liquidator; and (iv) concerned Income-Tax Authorities. The Petitioner Transferor Company 2 in compliance with the aforesaid order dated 05.09.2019 filed affidavit of service dated 14.10.2019 before this Tribunal, confirming the service of notices upon the aforesaid statutory authorities.

4. The Petitioner of the C.P. (CAA) No. 124/NCLT/AHM/2019, i.e., Vodafone Idea Limited, the Petitioner Transferee Company filed an application before this Tribunal being C.A. (CAA) No. 96/NCLT/AHM/2019, inter alia, for seeking dispensation from convening and holding of the meetings of the Equity Shareholders, Secured Creditors (including secured debenture holders) and Unsecured Creditors (including unsecured debenture holders) of the Petitioner Transferee Company. This Tribunal vide its order dated 9.9.2019, inter alia, dispensed with convening and holding of the meetings of the Equity Shareholders, Secured Creditors (including secured debenture holders) and Unsecured Creditors (including unsecured debenture holders) of the Petitioner Transferee Company. This Tribunal further directed the Petitioner Transferee Company to send notices under Section 230(5) of the Companies Act, 2013 to (i) the Central Government through Regional Director, North-Western Region; (ii) Registrar of Companies, Gujarat; (iii) concerned Income-Tax Authorities; (iv) the Securities and Exchange

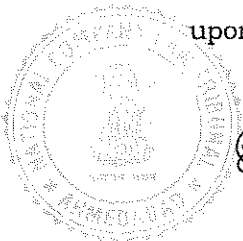


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Board of India; (v) BSE Limited; and (vi) the National Stock Exchange of India Limited. The Petitioner Transferee Company in compliance with the aforesaid order dated 09.09.2019 filed affidavit of service dated 11.10.2019 before this Tribunal, confirming the service of notices upon the aforesaid statutory authorities.

5. The Petitioner Companies thereafter filed Company Petitions being C.P. (CAA) No. 123/NCLT/AHM/2019, C.P. (CAA) No. 122/NCLT/AHM/2019 and C.P. (CAA) No. 124/NCLT/AHM/2019, seeking sanction of the Scheme. This Tribunal by its orders dated 20.11.2019 in each of the Petitions admitted the aforesaid Company Petitions and directed issuance of notice of hearing of Company Petition to (i) the Central Government through Regional Director, North-Western Region; (ii) Registrar of Companies, Gujarat; (iii) Official Liquidator; and (iv) concerned Income-Tax Authorities, in case of the Petitioner Transferor Companies and to the (i) the Central Government through Regional Director, North-Western Region; (ii) Registrar of Companies, Gujarat; (iii) concerned Income-Tax Authorities; (iv) the Securities and Exchange Board of India; (v) BSE Limited; and (vi) the National Stock Exchange of India Limited, in case of the Petitioner Transferee Company. This Tribunal also directed publication of notice of hearing of the aforesaid Company Petitions in English daily, "Indian Express", Ahmedabad Edition and in Gujarati daily, "Sandesh", Ahmedabad Edition in respect of all the aforesaid Petitioner Companies.
6. Pursuant to the orders all dated 20.11.2019 passed by this Tribunal in the aforesaid Company Petitions, the Petitioner Companies published the notice of hearing of the aforesaid Company Petitions in English daily, "Indian Express", Ahmedabad Edition and in Gujarati daily, "Sandesh", Ahmedabad Edition on 29.11.2019. The affidavits of service, on behalf of each of the Petitioner Transferor Companies, both dated 12.12.2019 and the Petitioner Transferee Company dated 10.12.2019 were filed before this Tribunal confirming the publication of the notice of hearing of the aforesaid Company Petitions in the newspapers as directed by this Tribunal and also the notice of hearing of the Company Petitions served upon the aforesaid statutory authorities.



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7. In response to the notice to the Official Liquidator in C.A. (CAA) No. 95/NCLT/AHM/2019 and C.A. (CAA) No. 94/NCLT/AHM/2019, the Official Liquidator, Ahmedabad filed his separate reports dated 31.1.2020 to which the Petitioner Transferor Companies have filed their affidavits dated 13.2.2020 and 17.02.2020.

In respect of the observations made by the Official Liquidator, in respect of preservation of the books of accounts, papers and records of both the Petitioner Transferor Companies, it is submitted that the Petitioner Transferee Company shall preserve the books of accounts, papers and records of both Petitioner Transferor Companies and shall not dispose of without the prior permission of the Central Government as per the provisions of Section 239 of the Companies Act, 2013.

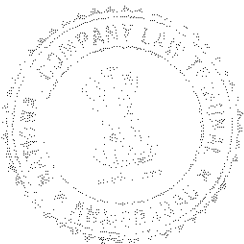
It is also submitted in the aforesaid affidavits that the Scheme nowhere proposes absolving either of the Petitioner Transferor Companies from any of its statutory liabilities, if any.

In respect of the observations made by the Official Liquidator, Ahmedabad, in paragraph 22 of its report, the Petitioner Transferor Company 2, in paragraph 6 of its reply, have stated and submitted that the Petitioner Companies shall file the certified copy of the order sanctioning the Scheme with the Registrar of Companies within 30 days from the date of the order passed by this Tribunal.

In view of the response of the Petitioner Transferor Companies, this Tribunal is of the view that the observations of the Official Liquidator, Ahmedabad, in its representations stand satisfied.

8. In response to the notice to the Regional Director, North Western Region, Ministry of Corporate Affairs, the Regional Director filed common representation dated 18.4.2019.

In paragraph 2(d) of the representation, it is mentioned by the Regional Director that this Tribunal be pleased to direct the Petitioner Transferee Company to submit all the relevant facts to state that NOCs from the respective stock exchanges are not required in the said matter.



Shri. A. K. Singh

Shri. A. K. Singh

In paragraph 2(e) of the representation, it is mentioned by the Regional Director that this Tribunal be pleased to direct the Petitioner Companies to comply strictly with the requirements of Accounting Standard-14.

In paragraph 2(f) of the representation, it is mentioned by the Regional Director that this Tribunal be pleased to direct the Petitioner Companies to obtain licenses, approvals and other permissions relating to telecom business, if any, from the regulatory authority/concerned ministry and to follow all the procedures as may be required by the regulatory authorities on payment of fees, if any, on sanctioning of the Scheme by this Tribunal.

In paragraph 2(g) of the representation, it is mentioned by the Regional Director that the Petitioner Transferee Company should comply with the guidelines of FEMA and RBI from time to time.

In paragraph 2(h) of the representation, it is mentioned by the Regional Director that this Tribunal be pleased to direct the Petitioner Transferor Company 2 to comply with the provisions of Section 135 of the Act and place on record all the relevant facts in this regard.

It is also mentioned by the Regional Director that this Tribunal be pleased to direct the Petitioner Transferee Company to furnish the compliance of the instructions regarding CSR expenditure issued by the Ministry of Corporate Affairs to the Petitioner Transferee Company and place on record all the relevant facts of the matter in this regard.

It is further mentioned by the Regional Director that this Tribunal be pleased to direct the Petitioner Transferee Company to place on record all relevant facts of the matter in relation to the complaint filed by M/s. Gunni Communication.

The Regional Director has also mentioned that this Tribunal be pleased to direct the Petitioner Transferee Company to submit all the relevant facts to state that NOCs from the respective stock exchanges are required in the said matter when except one series of the non-convertible debentures issued by the Petitioner Transferee Company, the other series



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Chakraborty

of the non-convertible debentures (secured and unsecured) issued by the Petitioner Transferee Company from time to time are listed on the Wholesale Debt Market segment of NSE.

9. Mr. Singhi, the Ld. Counsel for the Petitioner Companies, stated that one of the Petitioner Companies, namely Vodafone Idea Limited, the Petitioner Transferee Company has filed an affidavit in reply dated 12.2.2020 to the common representation dated 11.2.2020 filed by the Regional Director.

The Petitioner Transferee Company in paragraph 3 of its reply has stated and submitted that the SEBI Circular No. CFD/DIL3/CIR/2018/2 dated 3.1.2018, inter alia, provides that no prior approval of the stock exchanges is required when the Scheme solely provides for merger of a wholly owned subsidiary with its parent entity. A copy of the said circular is annexed thereto to the affidavit in reply. In view of the response submitted by the Petitioner Transferee Company, this Tribunal is of the view that the observations of the Regional Director at paragraph 2(d) of the common representation stands satisfied.

The Petitioner Transferee Company in paragraph 4 of its reply has submitted that the Petitioner Transferee Company shall comply with the requirements of Accounting Standards, as applicable. In view of the response submitted by the Petitioner Transferee Company, this Tribunal is of the view that the observations of the Regional Director at paragraph 2(e) of the common representation stands satisfied.

The Petitioner Transferee Company in paragraph 5 of its reply has submitted that neither the Petitioner Transferor Company 1 nor the Petitioner Transferor Company 2 is holding any telecom licences. Therefore, the question of seeking any permission from any of the regulatory authorities/concerned ministry, does not arise. In view of the response submitted by the Petitioner Transferee Company, this Tribunal is of the view that the observations of the Regional Director at paragraph 2(f) of the common representation stands satisfied.



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Chakraborty

The Petitioner Transferee Company in paragraph 6 of its reply has submitted that under the Scheme, no shares are being allotted by the Petitioner Transferee Company either to its shareholders or to the shareholders of the Petitioner Transferor Company 1 or to the shareholders of the Petitioner Transferor Company 2. In the circumstances, the question of complying with the provisions of FEMA and RBI guidelines does not arise. In view of the response made by the Petitioner Transferee Company, this Tribunal is of the view that the observations of the Regional Director at paragraph 2(g) of the common representation stands satisfied.

The Petitioner Transferee Company in paragraph 7 of its reply has submitted that that under Section 135(5) of the Companies Act, 2013 (hereinafter referred to as the "Act") and the Companies (Corporate Social Responsibility Policy) Rules, 2014, in the event a company fails to spend the amount that is required to be spent pursuant to Corporate Social Responsibility (hereinafter referred to as "CSR") activities, the Board of Directors of a company is required to provide reasons for not spending the required amount in the Board's report that is prepared under Section 134(3)(o) of the Act. In relation to the same, it is submitted that the Board's report of the Petitioner Transferor Company 2 for the financial years 2016-2017 and 2017-2018, provides the reasons for not spending the required amount.

It is further stated and submitted that in relation to the unspent CSR amount for the financial years 2015-2016 and 2016-2017 by the Petitioner Transferee Company, the Ministry of Corporate Affairs (hereinafter referred to as "MCA") vide its letter dated 9.4.2019 accepted the proposal of the Petitioner Transferee Company to spend the aforesaid unspent CSR amount in 8 (eight) quarters beginning April - June 2019 under intimation to MCA. Copy of the aforesaid letter dated 9.4.2019 of the MCA along with the intimation letters dated 19.7.2019, 9.10.2019 and 2.1.2020 addressed by the Petitioner Transferee Company to MCA are annexed thereto to the affidavit in reply.

It is further stated that the complaint from M/s. Gunni Communication with the MCA does not pertain to the present matter. It is stated and



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submitted that M/s. Gunni Communication has invoked the arbitration clause against the Petitioner Transferee Company for its alleged claim and the proceedings in respect of the same are pending. The present proceedings are not for recovery of amounts. Under the Scheme, the said proceedings would continue and no arrangement or compromise is sought by the Petitioner Transferee Company in this regard.

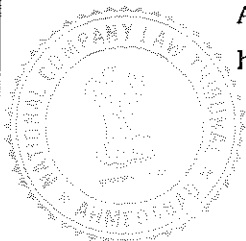
It is also stated and submitted that no NOC is required to be obtained from NSE and BSE in relation to the present matter as the aforesaid SEBI Circular dated 3.1.2018, inter alia, provides that no prior approval of the stock exchanges is required when the Scheme solely provides for merger of a wholly owned subsidiary with its parent entity.

It is a matter of record and also admitted by the Petitioners that the Petitioner Transferor Company 2 has not spent the amount on CSR for the Financial year 2016-17 and 2017-18, though the Petitioner Transferor Company 2 has mentioned this fact in the Board Report.

It is also a matter of record that Petitioner Transferee Company has not spent the CSR amount for the Financial Years 2015-16 and 2016-17 and the said fact has also been observed by the Regional Director in his representation which is reflected from the letter dated 09.04.2019 issued by the Ministry of Corporate Affairs to the Petitioner Transferee Company, for amount to be spent on CSR by the Petitioner Transferee Company for the Financial Years 2015-16 and 2016-17 in eight equal installments. However, the Ministry has stated that the subject matter stands pending with the Ministry to seek compliance of the above.

In view of the above, this Bench, hereby directs the Petitioner Transferee Company to comply with directions of the RD on CSR in respect of both the Petitioner Transferor Company 2 and the Petitioner Transferee Company and the directions to RoC to ensure compliances by the Petitioner Transferor Company 2 and the Petitioner Transferee Company.

10. This Tribunal has also received mail dated 16.12.2019 from the office of ACIT, Circle 12(1), New Delhi seeking postponement of the date of hearing of the aforesaid Company Petition(s) so that their report is




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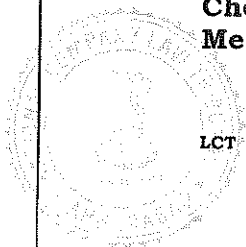
Shachin D. G. Joshi

submitted to this Tribunal. This Tribunal hereby directs the Petitioner Transferee Company to make compliances with the demands/claims of the Income Tax Authorities in respect of any of the Petitioner Companies. However, this order does not deter and/or restrain any statutory authority(ies) from taking any lawful action in the event of noncompliance by any of the Petitioner Companies.

11. Considering the entire facts and circumstances of the case and on perusal of the Scheme and the proceedings, it appears that the requirements of the provisions of sections 230-232 of the Companies Act, 2013 are satisfied. We, therefore, accordingly allow the Company Petitions and approve the Scheme. The Scheme is hereby sanctioned.
12. The petitions are allowed accordingly. Fees of Official Liquidator is quantified at Rs. 20,000/- in C.P. (CAA) No. 122/NCLT/AHM/2019 and C.P. (CAA) No. 123/NCLT/AHM/2019. The said fees would be paid by the Petitioner Transferee Company. Further, the fees of Regional Director is quantified at Rs. 37,500/-, for all the Company Petitions i.e. C.P. (CAA) No. 122/NCLT/AHM/2019, C.P. (CAA) No. 123/NCLT/AHM/2019 and C.P. (CAA) No. 124/NCLT/AHM/2019. The said fees would be paid by Petitioner Transferee Company.
13. Filing and issuance of drawn up orders are dispensed with. All concerned authorities to act on a copy of this order along with the Scheme duly authenticated by the Registrar of this Tribunal. The Registrar of this Tribunal shall issue the authenticated copy of this order alongwith Scheme immediately.
14. The Registrar of this Tribunal is directed to send copy of this order to the ACIT, Circle 12(1), New Delhi with reference to his mail dated 16.12.2019 as mentioned in Para 10 of this order.
15. These Company Petitions are disposed of accordingly.


Chockalingam Thirunavukkarasu
Member (Technical)


Ms. Manorama Kumari
Member (Judicial)



Certified to be True Copy of the Original

Date of pronouncement of Order: 18/12/2019
Date on which application for Certified Copy was made: 26/12/2019
Date on which Certified Copy was ready: 27/12/2019
Date on which Certified Copy delivered: 27/12/2019


Deputy Registrar
NCLT, Ahmedabad Bench
Ahmedabad

SCHEME OF AMALGAMATION

OF

VODAFONE INDIA DIGITAL LIMITED
(a wholly owned subsidiary of Vodafone Idea Limited)

.....TRANSFEROR COMPANY 1

AND

IDEA TELESYSTEMS LIMITED
(a wholly owned subsidiary of Vodafone Idea Limited)

.....TRANSFEROR COMPANY 2

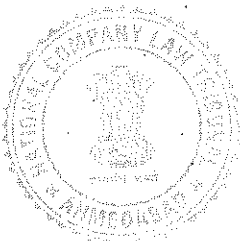
WITH

VODAFONE IDEA LIMITED

.....TRANSFeree COMPANY

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

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For Idea Telesystems Limited

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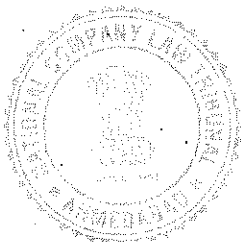
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PREAMBLE

BACKGROUND AND DESCRIPTION OF THE COMPANIES WHO ARE PARTIES TO THE SCHEME

1. This Scheme (*as defined hereinafter*) is presented pursuant to the provisions of sections 230 to 232 and other applicable provisions of the Act (*as defined hereinafter*), for the amalgamation of the Transferor Company 1 (*as defined hereinafter*) and the Transferor Company 2 (*as defined hereinafter*) with the Transferee Company (*as defined hereinafter*); and for matters consequential, incidental, supplementary and/or otherwise integrally connected therewith.
2. The Transferor Company 1 was incorporated on the 30th day of March 2017 as Vodafone India Digital Limited, a public limited company, with the Registrar of Companies, Mumbai under the provisions of the Act with Corporate Identification Number U74999MH2017PLC293094. The registered office of Transferor Company 1 was shifted from the State of Maharashtra to the State of Gujarat on 21st day of February 2019. The new Corporate Identification Number of the Transferor Company 1 is U74999GJ2017PLC106724. The registered office of the Transferor Company 1 is situated at Vodafone House, Corporate Road, Prahlad Nagar, Off S. G. Highway, Ahmedabad – 380 051, Gujarat.
3. The Transferor Company 1 is a wholly owned subsidiary of the Transferee Company. The Transferor Company 1 was incorporated primarily to undertake the business of design, develop, manufacture, provide, establish, offer, market, distribute, sell, license, lease, install, alter, import, export, or otherwise promote whether individually by itself or in association with one or more institutions, individuals, corporate bodies or other associations (whether incorporated and unincorporated), Telecom Service Providers (TSP's) Information Technology (IT) and related software, hardware, programs of any and all kinds and description. The Transferor Company 1 has not commenced its business.
4. The Transferor Company 2 was incorporated on the 12th day of September 1983 as Swinder Singh Satara And Company Private Limited, with the Registrar of Companies, Delhi and Haryana under the provisions of the Companies Act, 1956. The name of the Transferor Company 2 was changed to Idea Telesystems Limited and fresh certificate of incorporation consequent upon change of name was issued on the 18th day of October 2011 with Corporate Identification Number U74899DL1983PLC016517. The registered office of Transferor Company 2 was shifted from the Union Territory of Delhi to the State of Gujarat on 31st day of May 2019. The new Corporate Identification Number of the Transferor Company 2 is U74899GJ1983PLC108447. The registered office of the Transferor Company 2 is situated at Vodafone House, Corporate Road, Prahlad Nagar, Off S. G. Highway, Ahmedabad – 380 051, Gujarat.
5. The Transferor Company 2 is also a wholly owned subsidiary of the Transferee Company. The Transferor Company 2 is engaged in the business of, inter-alia, dealing in mobile communication handsets, terminals and communication accessories and related business products.
6. The Transferee Company was incorporated on 14th day of March 1995 as Birla Communications Limited, a public company with the Registrar of Companies, Maharashtra,

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(ADVOCATE)

For Idea Telesystems Limited

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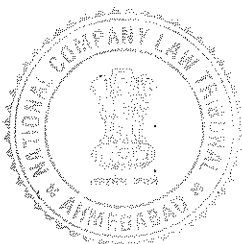
under the provisions of the Companies Act, 1956 with Corporate Identification Number L32100GJ1996PLC030976. Its name was changed to Birla AT&T Communications Limited on 30th day of May 1996. Its registered office was shifted from the State of Maharashtra to the State of Gujarat on 22nd day of October 1996; Its name was further changed to: (i) Birla Tata AT&T Limited on 6th day of November 2001; and (ii) Idea Cellular Limited on 1st day of May 2002. A composite scheme of amalgamation and arrangement was proposed among Vodafone Mobile Services Limited and Vodafone India Limited and the Transferee Company ("composite scheme" for short). Pursuant to the sanctioning of the composite scheme by the Hon'ble National Company Law Tribunal, Benches at Ahmedabad and Mumbai, the composite scheme has been made effective from 31st day of August 2018. The name of the Transferee Company was changed to Vodafone Idea Limited on 31st day of August, 2018. The equity shares of the Transferee Company are listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'). The registered office of the Transferee Company is situated at Suman Tower, Plot No. 18, Sector-11, Gandhinagar, 382 011, Gujarat, India.

7. The Transferee Company, inter alia, holds pan-India Unified Access Service/Unified Licence (authorisation for access services), Cellular Mobile Telephone Service, National Long Distance, International Long Distance and Internet Service Provider licences. The Transferee Company is primarily engaged in the business of providing fixed and mobile telecommunications services to consumers and enterprise customers, including direct-to-consumer video and content services that are bundled with telecommunication services in India. The Transferee Company is the holding company of the Transferor Companies.
8. This Scheme is presented under Sections 230 to 232 and other applicable provisions of the Act for the amalgamation of the Transferor Companies (*as defined hereinafter*) into and with the Transferee Company in accordance with the relevant provisions of the Act, Section 2(1B) of the Income Tax Act, 1961 and other applicable laws.

RATIONALE OF THE SCHEME

The amalgamation would, inter alia, bring about:

- (i) simplification of the corporate structure;
- (ii) better, efficient and economical management and control over the running of businesses of the subsidiaries;
- (iii) elimination of duplication in administrative cost and multiple record keeping thus resulting in cost savings, increased operational efficiencies and administrative convenience; and
- (iv) creating better synergies across the group, optimal utilization of resources and obtaining economies of scale.



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(ADVOCATE)

For Idea Telesystems Limited
Authorized Signatory

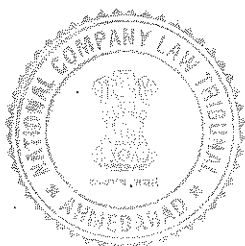
PARTS OF THE SCHEME

The Scheme is divided into the following parts:

PART A deals with definitions, interpretations, effective date and share capital;

PART B deals with the amalgamation of the Transferor Companies with and into the Transferee Company in accordance with Sections 230 to 232 of the Act; and

PART C deals with the general terms and conditions applicable to the Scheme.



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(ADVOCATE)

Author: [Signature]
Author: [Signature]

PART A

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:

1.1.1 "Accounting Standards" means the Indian Accounting Standards as notified under section 133 of the Act read together with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Ministry of Corporate Affairs and the other accounting principles generally accepted in India;

1.1.2 "Act" means the Companies Act, 2013 and shall include the provisions of the Companies Act, 1956, to the extent the corresponding provisions in the Companies Act, 2013, have not been notified;

1.1.3 "Applicable Law(s)" means (a) 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; and (b) administrative interpretation, writ, injunction, directions, directives, judgment, arbitral award, decree, orders or approvals of, or agreements with, any Governmental Authority;

1.1.4 "Appointed Date" means the 1st day of April 2019;

1.1.5 "Board" or "Board of Directors" 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;

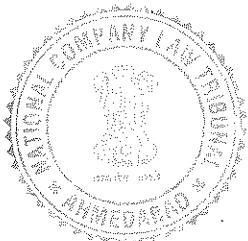
1.1.6 "Companies" means collectively, the Transferor Company 1, Transferor Company 2 and the Transferee Company;

1.1.7 "Effective Date" means the last of the dates on which all the approvals or events specified under Clause 3.3 of the Scheme are obtained or have occurred or the requirement of which have been waived;

Any reference in the Scheme to "upon the Scheme becoming effective" or "upon the coming into effect of this Scheme" or "effectiveness of the Scheme" shall be a reference to the Effective Date;

1.1.8 "Governmental Approval" means any consent, approval, licence, permit, order, exemption, certificate, clearance or authorisation obtained or to be obtained from, or any registration, notification, declaration or filing made to or with, or to be made to or with, any Governmental Authority and shall include Required Governmental Filings;

1.1.9 "Governmental Authority(ies)" means any national, regional or local government or governmental, administrative, fiscal, judicial, or government-owned body or any of its ministries, departments, secretariats, agencies or any legislative body, commission, authority, court or tribunal or entity, and shall include the Stock Exchanges, any relevant Tax authority and any other authority



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exercising jurisdiction over the Companies.;

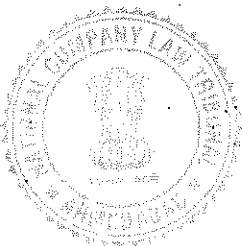
- 1.1.10 **"Income Tax Act"** means the Income-tax Act, 1961 and shall include any statutory modifications, re-enactments or amendments thereof for the time being in force;
- 1.1.11 **"Intellectual Property Rights"** means all intellectual property rights, including with respect to all patents, patent applications, and trademarks, service marks, trade names, logos, corporate names, brand names, domain names, all copyrights, designs, and all registrations, applications and renewals in connection therewith, and software and all website content (including text, graphics, images, audio, video and data), trade secrets, confidential business information and other proprietary information;
- 1.1.12 **"NCLT"** means the Hon'ble National Company Law Tribunal, Ahmedabad Bench, which has jurisdiction in relation to the Companies;
- 1.1.13 **"Required Governmental Filings"** means, collectively, the filings required to be made with the Stock Exchanges, NCLT and the RoC, in connection with the Scheme;
- 1.1.14 **"RoC"** means the Registrar of Companies, Gujarat;
- 1.1.15 **"Rs."** Means Rupees being the lawful currency of the Republic of India;
- 1.1.16 **"Scheme"** means this scheme of amalgamation in its present form, subject to any modification(s) thereto as may be approved or directed by the NCLT or any modification(s) sought by the Companies, as confirmed/approved by the NCLT;
- 1.1.17 **"SEBI"** means the Securities and Exchange Board of India;
- 1.1.18 **"SEBI Circular"** means together, the circular no. CFD/DIL3/CIR/2017/21 dated 10th day of March 2017, the circular no. CFD/DIL3/CIR/2017/26 dated 23rd day of March 2017, the circular no. CFD/DIL3/CIR/2017/105 dated 21st day of September 2017 and circular no. CFD/DIL3/CIR/2018/2 dated 3rd day of January 2018, each issued by the SEBI;
- 1.1.19 **"Stock Exchanges"** means the National Stock Exchange of India Limited and the BSE Limited;
- 1.1.20 **"Tax" or "Taxes"** means any and all taxes (direct or indirect), surcharges, fees, levies, duties, tariffs, imposts and other charges of any kind (together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto), in each case in the nature of a tax, imposed by any Governmental Authority (whether payable directly or by withholding), including taxes based upon or measured by income, windfall or other profits, gross receipts, property, sales, severance, branch profits, customs duties; excise, CENVAT, withholding tax, self-assessment tax, advance tax, service tax, goods and services tax, stamp duty, transfer tax, value-added tax, minimum alternate tax, banking cash transaction tax, securities transaction tax, taxes withheld or paid, customs duty and registration fees;
- 1.1.21 **"Transferee Company"** means Vodafone Idea Limited, a public limited company incorporated under the provisions of the Companies Act, 1956, with its registered office situated at 4th Floor, Suman Tower, Plot No. 18, Sector-11, Gandhinagar-382 011, Gujarat;

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1.1.22 "Transferor Companies" means, together, the Transferor Company 1 and the Transferor Company 2;

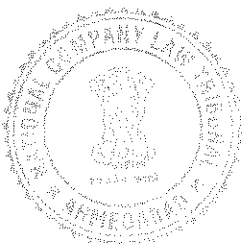
1.1.23 "Transferor Company 1" means Vodafone India Digital Limited, a public limited company incorporated under the provisions of the Act, with its registered office situated at Vodafone House, Corporate Road, Prahlad Nagar, Off S. G. Highway, Ahmedabad – 380 051, Gujarat, India;

1.1.24 "Transferor Company 2" means Idea Telesystems Limited, a public limited company, incorporated under the provisions of the Companies Act, 1956 with its registered office situated at Vodafone House, Corporate Road, Prahlad Nagar, Off S. G. Highway, Ahmedabad – 380 051, Gujarat, India;

1.1.25 "Undertaking" means each of the Transferor Companies and includes all businesses, undertakings, assets, properties, investments and liabilities of each of the Transferor Companies, of whatsoever nature and kind and wherever situated, on a going concern basis, which shall include:

- (i) all moveable assets, whether present, future or contingent, in possession or reversion including moveable and fixed plant and machinery, if any, electrical fittings, equipment, installations, appliances, tools, accessories, power lines, stocks and inventory, packaging items, computers, communication facilities, vehicles, furniture, fixtures and office equipment;
- (ii) all current assets, including sundry debtors, receivables, cash, bank balances, loans and advances, actionable claims, bills and credit notes;
- (iii) all immovable assets, if any, including all freehold, leasehold, leave and licensed, tenancies and any other covenants, title, interest or continuing rights in such immovable assets;
- (iv) all intangible assets, including all Intellectual Property Rights and all goodwill attaching to such Intellectual Property Rights;
- (v) all liabilities (including Tax and contingent liabilities), loans, debts, guarantees, duties, responsibilities and obligations;
- (vi) all licences, permits, certification, approval, registration, consent, authorisation, variance, exemption and order issued or granted by a Governmental Authority; all rights (including rights/obligations under agreement(s) entered into with various persons, contracts, applications, letters of intent, memorandum of understandings or any other contracts), certifications and approvals, regulatory approvals, entitlements, other licenses, consents, tenancies, investments and/ or interest (whether vested, contingent or otherwise), advances, recoverables, receivables, advantages, 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 Transferor

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Companies;

- (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 Transferor Companies;
- (viii) any and all earnest monies and/ or security deposits, or other entitlements in connection with or relating to the Transferor Companies;
- (ix) all rights to use and avail telephone, facsimile, e-mail, internet, leased line, connection and installations, utilities, electricity and other services;
- (x) all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal), of whatsoever nature, by or against the Transferor Companies;
- (xi) all staff and employees and other obligations of whatsoever kind, including liabilities of the Transferor Companies, with regard to its employees, with respect to the payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise; and
- (xii) any other assets and liabilities.

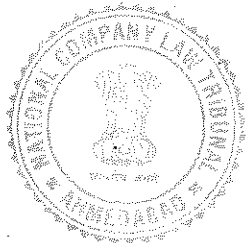
1.2 INTERPRETATION

1.2.1 All terms and words used in the Scheme but not specifically defined herein shall, unless contrary to the context thereof, have the meaning ascribed to them under the Act.

1.2.2 In the Scheme, unless the context otherwise requires:


- (i) references to a statutory provision include any subordinate legislation made from time to time under that provision;
- (ii) references to the singular include the plural and vice versa and references to any gender includes the other gender;
- (iii) references to a statute or statutory provision include that statute or provision as from time to time modified or re-enacted or consolidated and (so far as liability thereunder may exist or can arise) shall include also any past statutory provision (as from time to time modified or re-enacted or consolidated) which such provision has directly or indirectly replaced, provided that nothing in this Clause shall operate to increase the liability of any Companies beyond that which would have existed had this Clause been omitted;
- (iv) references to a document shall be a reference to that document as modified, amended, novated or replaced from time to time;
- (v) headings are for convenience only and shall be ignored in construing or interpreting any provision of this Scheme;

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- (vi) the expression "this Clause" shall, unless followed by reference to a specific provision, be deemed to refer to the whole Clause (and not merely the sub-Clause, paragraph or other provision) in which the expression occurs;
- (vii) references to Clauses are to Clauses of this Scheme;
- (viii) references to any person shall include that person's successors and permitted assigns or transferees;
- (ix) references to the words "include" or "including" shall be construed without limitation;
- (x) references to the words "hereof", "herein" and "hereunder" and words of similar import shall refer to this Scheme as a whole and not to any particular provision of this Scheme; and
- (xi) where a wider construction is possible, the words "other" and "otherwise" shall not be construed *ejusdem generis* with any foregoing words.

1.3 EFFECTIVE DATE

The Scheme in its present form, or with modification(s), if any, made in accordance with the provisions of the Scheme and/or the directions of the NCLT, shall be effective from the Appointed Date but shall be operative from the Effective Date.

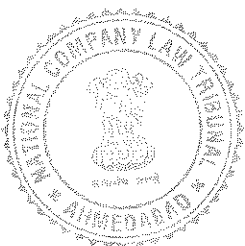
1.4 SHARE CAPITAL

1.4.1 Transferor Company 1

The authorized, issued, subscribed and paid-up share capital of the Transferor Company 1, as on 31st day of May 2019, was as under:

SHARE CAPITAL	AMOUNT IN Rs.
Authorised share capital	
50,00,000 Equity Shares of Rs. 10/- each	5,00,00,000
Total	5,00,00,000
Issued, subscribed and paid-up capital	
5,00,000 Equity Shares of Rs. 10/- each, fully paid-up	50,00,000
Total	50,00,000

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1.4.2 Transferor Company 2

The authorized, issued, subscribed and fully paid-up share capital of the Transferor Company 2, as on 31st day of May 2019, was as under:

SHARE CAPITAL	AMOUNT IN Rs.
Authorised share capital	
50,000 Equity Shares of Rs. 10/- each	5,00,000
Total	5,00,000
Issued, subscribed and paid-up capital	
50,000 Equity Shares of Rs. 10/- each, fully paid-up	5,00,000
Total	5,00,000

1.4.3 Transferee Company

The authorized, issued, subscribed and paid-up share capital of the Transferee Company, as on 31st day of May 2019, was as under:

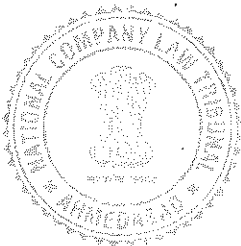
SHARE CAPITAL	AMOUNT IN Rs.
Authorised share capital	
2,879,30,02,000 equity shares of Rs.10/- each	28,793,00,20,000
1,500 redeemable cumulative non-convertible preference shares of Rs. 1,00,00,000/- each	1,500,00,00,000
Total	30,293,00,20,000
Issued, subscribed and paid-up capital*	
28,73,53,89,240 equity shares of Rs.10/- each fully paid-up	2,87,35,38,92,400
Total	2,87,35,38,92,400

* As on 31st day of May 2019, 1,39,96,800 outstanding employee stock options existed. Assuming such options are exercised, the issued, subscribed and paid-up capital of the Transferee Company as on 31st day of May 2019 on a fully-diluted basis was 28,74,93,86,040 equity shares of Rs.10/- each (Rs. 2,87,49,38,60,400/-).

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PART B

2. AMALGAMATION OF THE TRANSFEROR COMPANIES INTO AND WITH THE TRANSFEREE COMPANY

2.1 Transfer and vesting of the Transferor Companies into and with the Transferee Company

2.1.1 Upon the Scheme becoming effective, and with effect from the Appointed Date, subject to the provisions of this Scheme, the Undertaking of each of the Transferor Companies shall stand transferred to and vest in the Transferee Company, as a going concern, together with all its estate, properties, assets, liabilities, rights, title and authorities, benefits and obligations, without any requirement of a further act, instrument, matter, deed or thing being made, done or executed, so as to become, as and from the Appointed Date, the estate, properties, assets, liabilities, rights, title and authorities, benefits and obligations of the Transferee Company by virtue of and in the manner provided in the Scheme pursuant to the sanction of the Scheme by the NCLT and the provisions of sections 230 to 232 and other applicable provisions of the Act.

2.1.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon the coming into effect of this Scheme and with effect from the Appointed Date, in relation to the Undertaking:

- (i) All assets of the Transferor Companies that are movable in nature or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery shall, pursuant to this Scheme, stand vested in and/or be deemed to be vested in the Transferee Company and shall become the property of the Transferee Company without any further act, instrument or deed.
- (ii) All other movable assets of the Transferor Companies, including investments in shares and any other securities, sundry debtors, actionable claims, earnest monies, receivables, bills, credits, 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 Governmental Authorities, customers and other persons, shall, stand transferred to, and vested in, the Transferee Company without any notice or other intimation to the debtors or obligors or any other person. The Transferee Company may (without being obliged to do so), if it so deems appropriate, give notice in such form as it deems fit and proper, to each such debtor or obligor or any other person, that pursuant to the sanction of the Scheme by the NCLT, such debt, loan, advance, claim, bank balance, deposit or other asset be paid or made good or held on account of the Transferee Company as the person entitled thereto, to the end and intent that the rights of each of the Transferor Companies to recover or realise all such debts (including the debts payable by such debtor or obligor or any other person to the Transferor Companies) stands transferred and assigned to the Transferee Company and that appropriate entries should be passed in the books of accounts of the relevant debtors or obligors or other persons to record such change.
- (iii) All lease and licence agreements, if any, entered into by the respective Transferor Companies with landlords, owners and lessors in connection with the use of the assets of the Undertaking of each of the Transferor Companies, together with security deposits, shall

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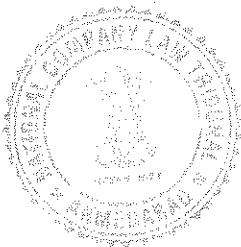
stand automatically transferred in favour of the Transferee Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. The Transferee Company shall continue to pay rent amounts as provided for in such agreements and shall comply with the other terms, conditions and covenants thereunder and shall also be entitled to refund of security deposits paid under such agreements by each of the Transferor Companies.

- (iv) All immovable properties of the Transferor Companies, if any, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of each of the Transferor Companies, whether freehold or leasehold or otherwise, and all documents of title, rights and easements in relation thereto shall be vested in and/or be deemed to have been vested in the Transferee Company, without any further act or deed done or being required to be done by each of the Transferor Companies and/or the Transferee Company. The Transferee 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 Transferee Company by the appropriate authorities pursuant to the sanction of this Scheme by the NCLT and upon the coming into effect of this Scheme in accordance with the terms hereof.
- (v) Until the owned property, leasehold property and related rights thereto, licence or right to use the immovable property, tenancy rights, liberties and special status are transferred, vested, recorded, effected and/or perfected in the record of the appropriate authorities in favour of the Transferee Company, the Transferee Company shall be deemed to be authorised to carry on business in the name and style of the Transferor Companies under the relevant agreement, deed, lease and/or licence, as the case may be, and the Transferee Company shall keep a record and account of such transactions.
- (vi) For purposes of taking on record the name of the Transferee Company in the records of the Governmental Authorities in respect of transfer of immovable properties to the Transferee Company pursuant to this Scheme, the Boards of Directors of the respective Transferor Companies and the Transferee 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 Transferor Companies in favour of the Transferee Company.
- (vii) All liabilities, including all secured and unsecured debts, if any, sundry creditors, contingent liabilities, duties, obligations and undertakings of each of the Transferor Companies, of every kind, nature and description whatsoever and howsoever arising, raised, incurred or utilised for its business activities and operations, shall, pursuant to the sanction of the Scheme by the NCLT and under the provisions of sections 230 to 232 of the Act and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing being made, done or executed, be transferred to, and vested in, or be deemed to have been transferred to, and vested in, the Transferee Company, along with any charge, encumbrance, lien or security created in connection therewith, and such liabilities shall be assumed by the Transferee Company to the extent they are outstanding as on the Effective Date so as to become, the liabilities, debts, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to each of the Transferor Companies, and the Transferee Company shall meet,

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discharge and satisfy the liabilities and 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 liabilities have arisen in order to give effect to the provisions of this clause.

- (viii) All electricity, gas, water and any other utility connections and tariff rates in respect thereof sanctioned by various public sector and private companies, boards, agencies and authorities to each of the Transferor Companies, together with security deposits and all other advances paid, shall stand automatically transferred in favour of the Transferee Company on the same terms and conditions, without any further act, instrument, deed, matter or thing being made, done or executed. The relevant electricity, gas, water and any other utility companies, boards, agencies and authorities shall issue invoices in the name of the Transferee Company with effect from the billing cycle commencing from the month immediately succeeding the month in which the Effective Date falls. The Transferee Company shall comply with the terms, conditions and covenants associated with the grant of such connection and shall also be entitled to refund of security deposits placed with such companies, boards, agencies and authorities by each of the Transferor Companies.

Permits

- (ix) All Governmental Approvals and other consents, permissions, quotas, rights, authorisations, entitlements, no-objection certificates and licences, including those relating to tenancies, privileges, powers and facilities of every kind and description of whatsoever nature, to which each of the Transferor Companies is a party or to the benefit of which the Transferor Companies may be entitled to use or which may be required to carry on the operations of the Transferor Companies, and which are subsisting or in effect immediately prior to the Effective Date, shall be, and remain, in full force and effect in favour of or against the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party, a beneficiary or an obligee thereto and shall be appropriately mutated by the relevant Governmental Authorities in favour of the Transferee Company.
- (x) Without prejudice to the generality of the Clauses mentioned above, the assets of each of the Transferor Companies shall also include all permits, licences, and any other licences, approvals, clearances, authorities, quotas, allocations granted to each of the Transferor Companies, all municipal approvals, authorisations, statutory rights, permissions, registrations, certificates, consents, authorities (including for the operation of bank accounts), powers of attorneys (given by, issued to or executed in favour of the Transferor Companies) and benefits of all contracts, 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, licences, 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 contracts, government contracts, memoranda of understanding, project service agreements, pre-qualification, 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

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relation to each of the Transferor Companies, shall stand transferred to the Transferee Company in accordance with the Applicable Laws.

Contracts

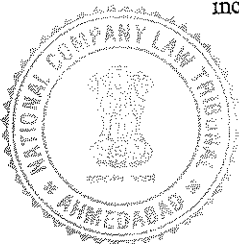
- (xi) All contracts, deeds, bonds, agreements (including in connection with contracts for services) and other instruments to which the respective Transferor Companies is a party, or to the benefit of which each of the Transferor Companies may be entitled, and which are subsisting or having effect immediately prior to the Effective Date, shall, without any further act, instrument or deed, continue in full force and effect against or in favour of, as the case may be, the Transferee Company, and may be enforced effectively by or against the Transferee Company as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary or obligor or obligee thereto or thereunder. The Transferee Company will, if required, enter into novation agreements in relation to such contracts, deeds, bonds, agreements and other instruments.
- (xii) All other agreements entered into by each of the Transferor Companies in connection with the assets of the Undertaking of the Transferor Companies shall stand automatically transferred in favour of the Transferee Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed.

Legal Proceedings

- (xiii) All legal proceedings, including quasi-judicial, arbitral and other administrative proceedings, if any, of whatsoever nature by or against each of the Transferor Companies pending on the Effective Date shall not abate or be discontinued or be prejudicially affected in any way by reason of the Scheme or by anything contained in the Scheme but shall be continued, prosecuted and enforced, as the case may be, by or against the Transferee 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 respective Transferor Companies. The Transferee Company undertakes to have all legal or other proceedings specified in this Clause, initiated by or against the respective Transferor Companies, transferred to its name and to have such proceedings continued, prosecuted and enforced by or against the Transferee Company, as the case may be. Following the Effective Date, the Transferee Company may initiate any legal proceeding for and on behalf of the Transferor Companies.

Employees

- (xiv) With effect from the Effective Date, all the staff and employees of each of the Transferor Companies, if any, who are in such employment as on the Effective Date shall become, and be deemed to have become, the staff and employees of the Transferee Company, and, subject to the provisions of the Scheme, on terms and conditions not less favourable than those on which they are engaged by the respective Transferor Companies and without any interruption of or break in service as a result of the transfer and vesting of the Undertaking of the Transferor Companies to the Transferee Company. With regard to provident fund, gratuity, superannuation, leave encashment and any other special scheme or benefits created by the respective Transferor Companies which exist immediately prior to the Effective Date, the Transferee Company shall stand substituted for the Transferor Companies for all purposes whatsoever, upon the coming into effect of this Scheme, including with regard to the obligation to make contributions to relevant authorities, such



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as the Regional Provident Fund Commissioner or to such other funds maintained by each of the Transferor Companies, in accordance with Applicable Law. It is hereby clarified that upon the coming into effect of this Scheme, such benefits and schemes shall continue to be provided to the transferred employees and the service of all transferred employees of the respective Transferor Companies for such purpose shall be treated as having been continuous.

- (xv) The Transferee Company shall comply with any agreement(s)/settlement(s) entered into, if any, with labour unions or employees by each of the Transferor Companies. The Transferee Company agrees that for the purpose of payment of any retrenchment compensation, gratuity and other termination benefits, the past services of employees with the respective Transferor Companies, if any, shall also be taken into account, and further agrees to pay such benefits when they become due.

Intellectual Property

- (xvi) All Intellectual Property Rights of each of the Transferor Companies shall stand transferred to and vested in the Transferee Company.

Inter se Transactions

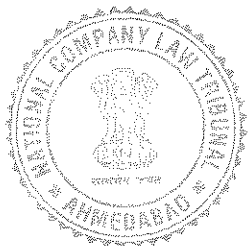
- (xvii) Upon the coming into effect of this Scheme and with effect from the Appointed Date, all *inter-se* contracts solely between the Transferor Companies and between the respective Transferor Companies and the Transferee Company shall stand cancelled and cease to operate, and appropriate effect shall be given to such cancellation and cessation in the books of accounts and records of the Transferee Company. For the removal of doubt, it is clarified that in view of the above, there will be no accrual of income or expense on account of any transactions, including *inter-alia* any transactions in the nature of sale or transfer of any goods, materials or services, between the Transferor Companies and the Transferee Company. For avoidance of doubt, it is hereby clarified that there will be no accrual of interest or other charges in respect of any *inter se* loans, deposits or balances between the respective Transferor Companies and the Transferee Company.

Borrowing Limits; Corporate Approvals

- (xviii) Upon the coming into effect of this Scheme and with effect from the Appointed Date, the borrowing and investment limits of the Transferee Company under the Act shall be deemed without any further act or deed to have been enhanced by the borrowing and investment limits of each of the Transferor Companies, such limits being incremental to the existing limits of the Transferee Company.
- (xix) Any corporate approvals obtained by the respective Transferor Companies, whether for purposes of compliance or otherwise, shall stand transferred to the Transferee Company and such corporate approvals and compliance shall be deemed to have been obtained and complied with by the Transferee Company.

Taxes

- (xx) Upon the coming into effect of this Scheme and with effect from the Appointed Date, all Taxes payable by, or refundable to, each of the Transferor Companies, including any



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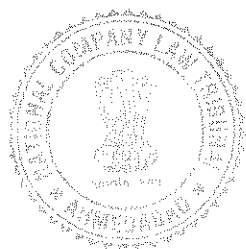
refunds, claims or credits (including credits for income Tax, withholding Tax, advance Tax, self-assessment Tax, minimum alternate Tax, CENVAT credit, goods and services Tax credits, other indirect Tax credits and other Tax receivables) shall be treated as the Tax liability, refunds, claims, or credits, as the case may be, of the Transferee Company, and any Tax incentives, benefits (including claims for unabsorbed Tax losses and unabsorbed Tax depreciation), advantages, privileges, exemptions, credits, Tax holidays, remissions or reductions, which would have been available to the respective Transferor Companies, shall be available to the Transferee Company, and following the Effective Date, the Transferee Company shall be entitled to initiate, raise, add or modify any claims in relation to such Taxes on behalf of each of the Transferor Companies.

Creditors

- (xxi) Upon the coming into effect of this Scheme and with effect from the Appointed Date, the secured creditors of the respective Transferor Companies and/or other holders of security over the properties of the respective Transferor Companies, if any, shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of the respective Transferor Companies, as existing immediately prior to the amalgamation of the Transferor Companies with the Transferee Company and the secured creditors of the Transferee Company and/or other holders of security over the properties of the Transferee Company shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of the Transferee Company, as existing immediately prior to the amalgamation of each of the Transferor Companies with the Transferee Company.

2.2 Conduct of Business

- 2.2.1 With effect from the Appointed Date and up to and including the Effective Date, each of the Transferor Companies shall carry on their respective businesses with reasonable diligence and except in the ordinary course of business, each of the Transferor Companies shall not, without the prior written consent of the Board of Directors of the Transferee Company or pursuant to any pre-existing obligation, sell, transfer or otherwise alienate, charge, mortgage, encumber or otherwise deal with or dispose off any of the assets of the Undertaking of each of the Transferor Companies or any part thereof.
- 2.2.2 With effect from the Appointed Date and upto and including the Effective Date:
- each of the Transferor Companies shall carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all its estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions for and on account of, and in trust for, the Transferee Company;
 - all profits and income accruing or arising to each of the Transferor Companies, and losses and expenditure arising or incurred by it (including Taxes, if any, accruing or paid in relation to any profits or income) for the period commencing from the Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure (including Taxes), as the case may be, of the Transferee Company;
 - any of the rights, powers, authorities or privileges exercised by the respective Transferor Companies shall be deemed to have been exercised by each of the Transferor Companies



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for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, any of the obligations, duties and commitments that have undertaken or discharged by each of the Transferor Companies shall be deemed to have been undertaken for and on behalf of and as an agent for the Transferee Company; and

- (d) all Taxes (including, without limitation, income Tax, minimum alternate tax, tax deducted at source, sales Tax, goods and services tax, excise duty, customs duty, service Tax, VAT, entry Tax, etc.) paid or payable by the respective Transferor Companies in respect of the operations and/or the profits of the Undertaking of each of the Transferor Companies before the Appointed Date, shall be on account of the respective Transferor Companies and, in so far as it relates to the tax payment (including, without limitation, income Tax, minimum alternate tax, tax deducted at source, sales Tax, goods and services tax, excise duty, customs duty, service Tax, VAT, entry Tax, etc.), whether by way of deduction at source, advance Tax or otherwise howsoever, by each of the Transferor Companies in respect of the profits or activities or operation of the Undertaking of each of the Transferor Companies with effect from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly

2.3 Cancellation of Shares

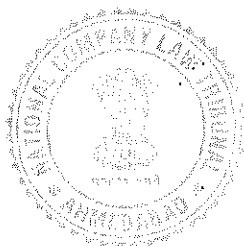
- 2.3.1 The Transferor Companies are wholly owned subsidiaries of the Transferee Company and the Transferee Company along with its nominee shareholders holds all the shares issued by the respective Transferor Companies. On amalgamation of the Transferor Companies with the Transferee Company, no shares of the Transferee Company shall be issued or allotted in respect of the holding of the shares by the Transferee Company in the respective Transferor Companies.
- 2.3.2 Upon the coming into effect of this Scheme, and in consideration of the transfer of and vesting of the Undertaking of each of the Transferor Companies in the Transferee Company in terms of the Scheme, all the equity shares issued by the respective Transferor Companies and held by the Transferee Company and/or its nominees shall stand cancelled and extinguished without any further application act or deed and in lieu thereof, no allotment of shares in the Transferee Company shall be made to any person whatsoever.

2.4 Dissolution of the Transferor Companies

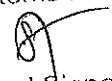
Upon the coming into effect of this Scheme, each of the Transferor Companies shall stand dissolved without being wound up, without any further act or deed.

2.5 Accounting treatment

Notwithstanding anything to the contrary herein, upon this Scheme becoming effective, the Transferee Company shall give effect to the accounting treatment in its books of account in accordance with the Accounting Standards, as applicable on the Effective Date.



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PART C

3. GENERAL TERMS AND CONDITIONS

3.1 Application to the NCLT

The Companies shall make necessary applications and/ or petitions pursuant to sections 230 to 232 of the Act and other applicable provisions of the Act to the NCLT for approval of the Scheme and all matters ancillary or incidental thereto, as may be necessary to give effect to the terms of the Scheme.

3.2 Modification or Amendment to the Scheme

3.2.1 Each of the Companies (acting through their respective Board) may, in their full and absolute discretion, assent to any amendments, alterations or modifications to the Scheme, in part or in whole, which the NCLT and/ or any other authorities may deem fit to direct, approve or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/ or carrying out the Scheme, including any individual part thereof, or if the Board are of the view that the coming into effect of this Scheme, in part or in whole, in terms of the provisions of the Scheme, could have an adverse implication on all or any of the Companies. Each of the Companies (acting through their respective Board) be and are hereby authorized to take such steps and do all acts, deeds and things, as may be necessary, desirable or proper to give effect to the Scheme, in part or in whole and to resolve any doubts, difficulties or questions whether by reason of the order of the NCLT or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of the Scheme and/ or any matters concerning or connected therewith and may also in their full and absolute discretion, withdraw or abandon the Scheme, or any individual part thereof, at any stage prior to the Effective Date.

3.2.2 If any part of the 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 the Scheme and the Scheme shall not be affected thereby, unless the deletion of such part shall cause the Scheme to become materially adverse to either of the Companies in which case the Companies shall attempt to bring about a modification in the Scheme, as will best preserve for the Companies the benefits and obligations of the Scheme, including but not limited to such part.

3.3 Scheme conditional upon approvals/sanctions

This Scheme is and shall be conditional upon and subject to:

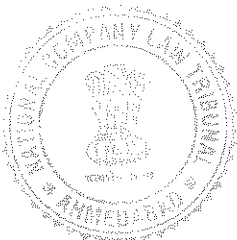
- (a) the Transferee Company filing the Scheme with the Stock Exchanges in terms of the SEBI Circular;
- (b) the Scheme being approved by the respective requisite majorities of the classes of members and creditors (where applicable) of the Companies in accordance with the Act or dispensation having been received from the NCLT in relation to obtaining such

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approval from the shareholders and/or creditors or any Applicable Law permitting the respective Companies not to convene the meetings of its shareholders and/or creditors;

- (c) the Scheme being confirmed/approved by the NCLT, either on terms as originally approved by the Companies, or subject to such modifications approved by the NCLT, which shall be in form and substance acceptable to the Companies, each acting reasonably and in good faith; and
- (d) certified copies of the confirmation orders of the NCLT confirming/sanctioning the Scheme being filed with the RoC by the Transferor Companies and the Transferee Company, respectively.

3.4 Matters Relating to Tax in respect of the Undertaking

3.4.1 The provisions of Part B of this Scheme are intended to comply with the conditions relating to "Amalgamation" as specified under section 2(1B) of the Income Tax Act. If, at a later date, any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of section 2(1B) of the Income Tax Act, including as a result of an amendment of Applicable Law or the enactment of a new legislation or for any other reason whatsoever, the provisions of section 2(1B) of the Income Tax Act, or a corresponding provision of any amended or newly enacted law, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income Tax Act. Such modification(s) will, however, not affect the other parts of the Scheme. The power to make such modification(s), if necessary, shall vest with the Boards of Directors of the Companies, which power shall be exercised reasonably in the best interest of each of the Companies and their shareholders and creditors in accordance with Clause 3.2 above. In addition, upon the Scheme becoming effective:

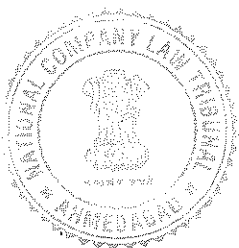
- (i) to the extent required, the Companies are permitted to revise and file their respective income Tax returns, withholding Tax returns (including Tax deducted at source certificates), sales Tax, value added Tax, service Tax, central sales Tax, entry Tax, goods and services Tax returns and any other Tax returns, even if the time limits prescribed under the Income Tax Act have lapsed; and
- (ii) the Transferee Company shall be entitled to: (a) claim deduction with respect to items such as provisions, expenses, etc. disallowed in earlier years in the hands of the Transferor Companies, which may be allowable in accordance with the provisions of the Income Tax Act on or after the Appointed Date; and (b) exclude items such as provisions, reversals, etc. for which no deduction or Tax benefit has been claimed by the Transferor Companies prior to the Appointed Date.

3.4.2 Upon the Scheme becoming effective, notwithstanding anything to the contrary contained in the provisions of this Scheme, all accumulated Tax loss, unabsorbed Tax depreciation, minimum alternate Tax credit, if any, of the Transferor Companies as on the Appointed Date, shall, for all purposes, be treated as accumulated Tax loss, unabsorbed Tax depreciation and minimum alternate Tax credit of the Transferee Company. It is further clarified that any business loss and unabsorbed depreciation of the Transferor Companies as specified in its books of account shall be included as business loss and unabsorbed depreciation of the Transferee Company for the purposes of computation of minimum alternate Tax.

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- 3.4.3 Upon the Scheme becoming effective, the Transferee Company shall be entitled to claim refunds (including refunds or claims pending with the Tax authorities) or credits, with respect to Taxes paid by, for, or on behalf of, the Transferor Companies under Applicable Laws, including income Tax, minimum alternate Tax, Tax deducted at source, sales Tax, value added Tax, service Tax, entry Tax, custom duty, goods and services Tax or any other Tax, whether or not arising due to an inter se transaction between Transferor Companies and Transferee Company, even if the prescribed time limits for claiming such refunds or credits have lapsed.
- 3.4.4 Upon the Scheme becoming effective and with effect from the Appointed Date, all Taxes, cess, duties and liabilities (direct and indirect), payable by or on behalf of the Transferor Companies, including any taxes paid and taxes deducted at source and deposited by the Transferee Company on inter se transactions between the Appointed Date and Effective Date, shall, for all purposes, be treated as Taxes, cess, duties and liabilities, as the case may be, of the Transferee Company.
- 3.4.5 Upon the Scheme becoming effective and with effect from the Appointed Date, all unavailed credits and exemptions and other statutory benefits, including in respect of income Tax, CENVAT, customs, value added Tax, sales Tax, service Tax, entry Tax and goods and services Tax to which the Transferor Companies is entitled shall be available to and vest in the Transferee Company, without any further act or deed.
- 3.4.6 Any Tax liabilities under the Income Tax Act or other Applicable Laws or regulations allocable to the Transferor Companies, whether or not provided for or covered by any Tax provisions in the accounts of the Transferor Companies made as on the date immediately preceding the Appointed Date, shall be transferred to the Transferee Company. Any surplus in the provision for Taxation or duties or levies in the accounts of the Transferor Companies, including advance Tax and Tax deducted at source as on the close of business in India on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company.
- 3.4.7 All Tax assessment proceedings and appeals of whatsoever nature by or against the Transferor Companies, pending or arising as at the Effective Date, shall be continued and/or enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Companies. Further, the aforementioned proceedings shall neither abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Companies with the Transferee Company or anything contained in this Scheme.
- 3.4.8 Any refund under the Income Tax Act or any other Applicable Laws related to or due to the Transferor Companies, including those for which no credit is taken as on the date immediately preceding the Effective Date, shall also belong to and be received by the Transferee Company.
- 3.4.9 Without prejudice to the generality of the above, all benefits, incentives, claims, losses, credits (including income Tax, service Tax, excise duty, goods and services Tax and applicable state value added Tax) to which the Transferor Companies is entitled to in terms of Applicable Laws, shall be available to and vest in the Transferee Company from the Effective Date.
- 3.4.10 All the expenses incurred by the Transferor Companies and the Transferee Company in relation to the amalgamation of the Transferor Companies with the Transferee Company in accordance with this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Transferee Company in accordance with Section 35DD of the Income Tax Act over a period of five (5) years beginning with the financial year in which this Scheme becomes effective.



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3.5 Effect of Non-Receipt of Approvals; Withdrawal

- 3.5.1 In the event of any of the said confirmations/sanctions and approvals not being obtained and/or the Scheme not being confirmed/sanctioned by the NCLT, the Scheme shall become null and void and the Companies shall bear and pay its respective costs, charges and expenses for and/or in connection with the Scheme.
- 3.5.2 The Companies, acting through their respective Board of Directors, may mutually agree in writing to withdraw this Scheme from the NCLT.

3.6 Costs and expenses

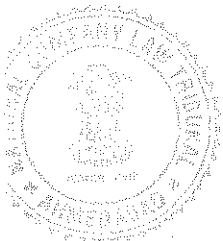
All costs, duties, levies, charges and expenses payable by the Transferor Companies and the Transferee Company in relation to or in connection with the Scheme and/or incidental to the completion of the Scheme shall be borne and paid by the Transferee Company.

3.7 Compliance with Applicable Laws

The Companies undertake to comply with all 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 any statutory or regulatory authority, which by Applicable Law may be required for the implementation of the Scheme or which by law may be required in relation to any matters connected with the Scheme.

3.8 Residual Provisions

- 3.8.1 Upon the Scheme becoming effective, the Transferee Company shall be entitled to operate all bank accounts, realise all monies and complete and enforce all pending contracts and transactions in the name of the Transferor Companies to the extent necessary until the transfer of the rights and obligations of the Transferor Companies to the Transferee Company under the Scheme is formally accepted and completed by the Companies concerned. For avoidance of doubt, it is hereby clarified that with effect from the Effective Date and until such time that the name of the bank accounts of the Transferor Companies have been replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Companies in the name of the Transferor Companies in so far as may be necessary.
- 3.8.2 The Transferee Company may, at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of, any party to any contract or arrangement to which the Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the provisions of the Scheme. The Transferee Company shall be deemed to be authorised to execute any such writings on behalf of the Transferor Companies and to carry out or perform all such formalities or compliances required for the purposes specified above by the Transferor Companies.
- 3.8.3 Upon the Scheme becoming effective, all licences, incentives, remissions, Tax incentives, subsidies, privileges, consents, sanctions, and other authorisations, to which the Transferor



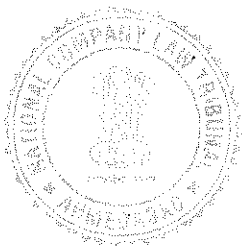
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Companies is entitled, shall stand vested in the Transferee Company and permitted or continued by the order of sanction of the Tribunal. The Transferee Company shall file the Scheme with applicable Governmental Authorities for their record, who shall take it on record pursuant to the sanction order of the Tribunal.



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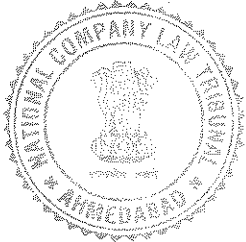
For Idea Telecommunications Limited


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2019.09.19

In view of paragraph no. 11 of the orders each dated 18th day of February 2020, passed by the Hon'ble National Company Law Tribunal, Bench at Ahmedabad, in CP (CAA) No. 122/NCLT/AHM/2019 in CA (CAA) No. 94/ NCLT/AHM/2019 along with CP (CAA) No. 123/NCLT/AHM/2019 in CA (CAA) No. 95/NCLT/AHM/2019 along with CP (CAA) No. 124/NCLT/AHM/2019 in CA (CAA) No. 96/ NCLT/AHM/2019, the Scheme is hereby authenticated.

Registrar
This day of February 2020



Certified to be True Copy of the Original

Deputy Registrar
NCLT, Ahmedabad Bench
Ahmedabad

Date of pronouncement of Order: -
Date on which application for Certified Copy was made: 26/02/20
Date on which Certified Copy is ready: 27/02/20
Date on which Certified Copy delivered: 27/02/20