

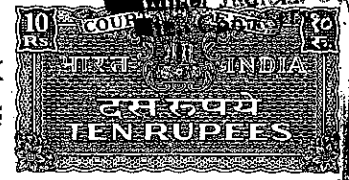
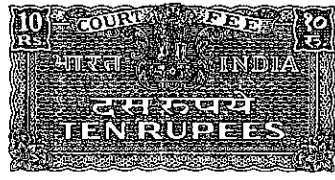
CP 124/08

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IN THE HIGH COURT OF DELHI

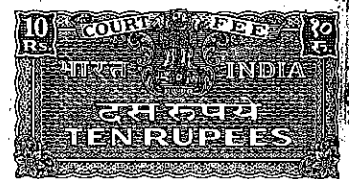
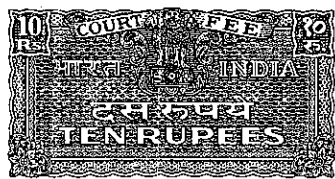
For Private Use

COMPANY PETITION
COMPANY PETITION
(Connected with Companies Act, 1956)
(Under Sections 391 to 394)



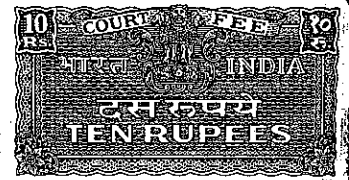
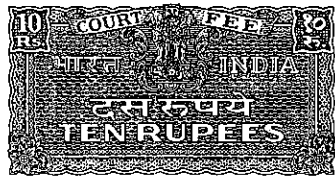
IN THE MATTER OF:

Sections 391 to 394 of the Companies Act, 1956



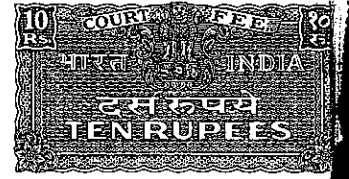
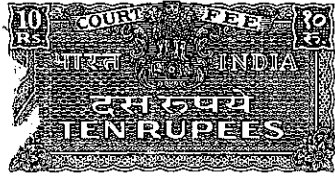
AND IN THE MATTER OF:

Scheme of Amalgamation between
Bharti Aquanet Limited



AND IN THE MATTER OF:

Bharti Aquanet Limited
a Company incorporated under the Companies Act, 1956
having its Registered Office at,
H-5/12, Qutab Ambience,
Mehrauli Road,
New Delhi - 110 030



Petitioner / Transferor Company

MEMO OF PARTIES

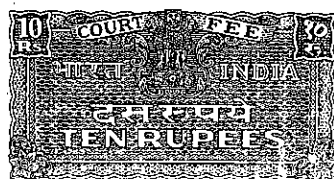
Bharti Aquanet Limited
a Company incorporated under the Companies Act, 1956
having its Registered Office at,
H-5/12, Qutab Ambience,
Mehrauli Road,
New Delhi - 110 030

Petitioner / Transferor Company

Place :
Date :

FILED THROUGH:

LAKSHAY SAWHNEY, ADVOCATE
COUNSEL FOR PETITIONER, 10, LAWYERS' CHAMBER,
HIGH COURT, NEW DELHI
(Mobile No: 9810339689)



Verified to be True Copy

Examiner of Evidence Department
High Court of Delhi
Authorized Under Section 71 of
Indian Evidence Act.

IN THE HIGH COURT OF DELHI

COMPANY PETITION No.124/2008

Date of decision: 17th September, 2008.

In the matter of
The Companies Act, 1956:

And

**Petitions under Sections 391/394
of the Companies Act, 1956**

Scheme of Amalgamation between :

Bharti Aquanet Ltd. ...

Petitioner/Transferor
Company

WITH

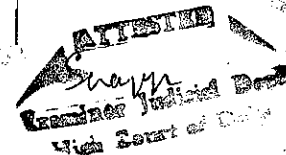
Bharti Airtel Ltd.

Petitioner/Transferee
Company

**Through Mr. Sandeep Sethi, Sr.
Adv. with Mr. Mohit Bakshi, Adv.
for the petitioner
Mr. Raisuddin, Asstt. Registrar of
Companies
Ms. Manisha Tyagi, Adv. for the
Official Liquidator**

GITA MITTAL, J (Oral)

1. This is a joint petition by the transferor and transferee companies under section 391/394 of the Companies Act, 1956 seeking sanction of the Scheme of Arrangement between M/s. Bharti Aquanet Ltd. (hereinafter referred to as the 'Transferor Company') with M/s Bharti Airtel Ltd. (hereinafter referred to as the 'transferee company').



2. The registered offices of the transferor and the transferee companies are situated at New Delhi which is within the jurisdiction of this court.

3. The Memorandum and Articles of Association of the transferor and transferee companies have been placed on record.

4. The authorized share capital of the Transferor Company as on 31st March, 2007, as certified by their Chartered Accountants, was Rs.5,00,00,000/- divided into 50,00,000 equity shares of Rs.10/- each. The issued, subscribed and paid up capital of the Transferor Company as on March 31, 2007 was Rs.2,50,00,000/- divided into 25,00,000 fully paid up equity shares of Rs.10/- each. The audited Financial Accounts of the Transferor Company as on 31st March, 2007 have been placed on record.

5. The Scheme of Amalgamation has been filed alongwith the petition. The salient features of the scheme are detailed in the petition and the accompanying affidavit. It is submitted that the proposed amalgamation of the transferor company will be in the best interests of the transferor company and its shareholders and that the proposed amalgamation will consolidate the different platforms of technology into a common platform and enable the transferee company to provide a single window integrated telecom solutions, into new service areas as well expand it's subscribers base. The amalgamation of all undertakings of transferor company into the transferee company shall facilitate consolidation of all the undertakings in order to enable effective management and unified

control f operations. The amalgamation would create economies in administrative and managerial costs by consolidating operations and will substantially reduce duplication of administrative responsibility and multiplicity of records and legal and regulatory compliances.

6. It is further claimed that no investigation proceedings have been instituted or are pending in relation to the petitioner companies under Sections 235 and 251 of the Companies Act, 1956.

7. The Board of Directors of the petitioner companies in their separate meetings have approved the proposed Scheme of Arrangement. A copy each of the said Board Resolutions has been placed on record.

8. The petitioner companies had earlier filed CA (M) 70/2008 seeking dispensation of the requirement to convene meetings of its equity shareholders. The petitioner companies have no secured or unsecured creditors. The said application was allowed vide order dated 23rd April, 2008 and the requirement of convening and holding the meetings of equity shareholders of the applicant companies to consider and, if thought fit, approve, with or without modification, the proposed Scheme of Amalgamation was dispensed with.

9. Thereafter, the petitioner companies have filed the present petition seeking sanction of the Scheme of Arrangement. Notice of the petition was directed to be issued to the Regional Director, Northern Region. Citations were also directed to be published in 'Statesman (English)' and 'Jansatta (Hindi)' in terms of the Company (Court) Rules, 1959. Affidavits of service have been filed by the

ATTORNEY
Signature
Examiner Judicial Dept
High Court of Delhi

petitioners showing compliance regarding service on the Regional Director, Northern Region.

10. Shri Dhan Raj, Regional Director, Northern Region, Ministry of Corporate Affairs has filed affidavit dated 1st September, 2008, in response to the notices issued in the petition. An observation has been made by the Regional Director that the petitioner company be asked to furnish an affidavit that they shall comply with the accounting treatment as prescribed under the accounting standard 14 which is the accounting for amalgamation (standard) issued by the Institute of Chartered Accountants of India.

11. An affidavit has been filed in the present proceedings by Mr. Jitin Wasan an authorised representative of M/s Bharti Airtel Limited- the transferee company wherein an undertaking has been given that the transferee company shall comply with the accounting treatment as prescribed under accounting standard 14 which is the accounting for amalgamation (standard) issued by the Chartered Accountants of India. This undertaking is accepted. The transferee company shall remain bound by the same.

In view of the above observations made by the Regional Director stand satisfied.

12. A second observation made by Regional Director in para 5 of the affidavit dated 1st September, 2008 filed before this court also deserves to be considered. It has been pointed out that the shares of M/s Bharti Airtel Limited the transferee company are listed at the National Stock Exchange and the Bombay Stock Exchange and that

the transferee company has failed to furnish a no objection obtained from these stock exchanges. It has been submitted that the transferee company is required to obtain no objection to the scheme of amalgamation from the stock exchanges in regard.

13. My attention has been drawn to the order dated 23rd April, 2008 passed in C.A.(M) No. 70/2008. A prayer had been made by the transferor company for dispensation with the requirement of seeking approval to the proposed scheme of amalgamation by the transferee company under section 391 and 394 of the Companies Act, 1956. In para 6 of the order, this court had held that the scheme of amalgamation between the transferor, which is the wholly owned subsidiary of M/s Bharti Airtel Limited the transferee company, does not require sanction of the court in a petition at the instance of the transferee company inasmuch as such scheme does not come within the field of operation of section 391 of the Companies Act. In this view of the matter, it would appear that no further action under Section 391 and 394 of the Companies Act at the instance of the transferee company is required for the scheme of amalgamation to take effect.

14. In any case perusal of the scheme of amalgamation would show that upon the scheme becoming effective, the entire paid up capital of the transferor company shall stand cancelled and the transferee company shall not be issuing any new equity shares. As such there is no variation in the equity share capital of the transferee company. Consequently the interest of the existing equity shareholders of the

transferee company is not impacted in any manner whatsoever. An affidavit has been placed on record on behalf of the transferee company of Mr. Jitin Wasan, its authorized representative, to the effect that no security laws would be violated or overridden or circumscribed inasmuch as the transferee company is not issuing any new security.

15. In this behalf reliance is also placed on circular bearing no. SEBI/SMD/Policy/List/Cir – 17/2003 of 8th May, 2003 issued by the Securities Exchange Board of India modifying certain clauses of the listing agreement. In this circular, the board has recommended insertion of new sub-clauses (f), (g) and (h) under clause 24 of the Listing Agreement. The new sub-clause (9f) which has a bearing deserves to be considered in extenso and reads thus :-

“(f) The company agrees that it shall file any scheme/petition proposed to be filed before any Court or Tribunal under sections 391, 394 and 101 of the Companies Act, 1956, with the stock exchange, for approval, at least a month before it is presented to the Court or Tribunal.”

16. It would be apparent from the above that the approval of scheme under section 391 of the Companies Act, 1956 is required for the purposes of satisfaction of the Stock Exchange Board that the proposed scheme of amalgamation does not violate or override or circumscribe any provision of the applicable laws or the requirements of the stock exchanges.

17. It is pointed out that though the Transferee Company is listed on “National Stock Exchange” and “Bombay Stock Exchange” but it

has not obtained the "no objection" from these Stock Exchanges for the Scheme of Amalgamation.

18. As noticed above, no new equity is being created as per the scheme of amalgamation which has been proposed interests of the shareholders of the transferee company is not negatively impacted.

19. I find that in the order dated 23rd April, 2008, the court had noticed that the seven equity shareholders of the transferor company have given their consent to the proposed scheme of amalgamation and that the holding of the meetings of the shareholders of the transferor company was consequently exempted by the court.

20. Yet another circumstance would militate against the observations of the Regional Director. It appears that in all fairness, Bharti Airtel Limited the transferee company had addressed a letter dated 21st April, 2008 to the Bombay Stock Exchange Limited and the National Stock Exchange of India informing it about the proposed scheme of amalgamation between the transferor and transferee companies. They were informed of the fact that the transferee company was not filing any application/petition before this court and that only the transferor company was seeking approval of scheme. A copy of the scheme was also forwarded with the letter. All the above noted facts were also informed to the two stock exchanges. It was clearly informed that the transferor company was a wholly owned solvent subsidiary of the transferee and that its merger, if approved by this court, would not adversely its shareholders.

21. It has been stated on affidavit that no response or objection has

been received from the Bombay Stock Exchange Bombay or the National Stock Exchange of India Limited. The transferee company had also informed the stock exchanges that in terms of the aforementioned clause 24(f) in view of the stated facts, no prior approval or clearance of the stock exchange was required.

This communication was followed by another letter of the 23rd April, 2008 informing the stock exchanges that by the order dated 23rd April, 2008 this court had exempted the transferee from filing an application. No response to the above communications objecting to the proposal is stated to have been received.

22. I find that the Regional Director has also pointed out that the transferee company M/s Bharti Airtel Limited be directed to obtain the necessary approvals from the Ministry of Telecommunication for transfer of licenses pursuant to the Ministry's communication dated 9th June, 2003. In the affidavit which has been filed on behalf of the transferee company, it has been stated that the transferee company is required to apply for transfer of licenses of the transferor company only after the scheme of amalgamation is sanctioned and approved by this court. The transferee company has undertaken that it would comply with all procedural requirements notified by the Ministry of Telecommunication by the approval being granted to the scheme by this court.

23. It is necessary to observe that the observations made by the Regional Director all pertain to the compliances of statutory rules, procedures and directives which are required to be effectuated not

by M/s Bharti Aquanet Ltd. the transferor company but by the Bharti Airtel Limited the transferee company. The transferee company is not a party before this court. It has been exempted from filing a separate petition for seeking approval of the scheme of amalgamation by the order dated 23rd April, 2008. In this background, the affidavit which has been filed on its behalf has been taken on record. Undoubtedly even though the transferee was exempted from filing a separate petition under section 391 of the Companies Act, 1956 it would be required to comply with all statutory and other requirements in accordance with law to effectuate the scheme of amalgamation.

24. There appears to be no legal impediment to the sanction of the scheme of amalgamation at the instance of the petitioner which is a 100% owned subsidiary of M/s Bharti Airtel Limited the transferee company.

Accordingly sanction is accorded to the proposed scheme of amalgamation at the instance of the transferor company.

25. Learned senior counsel appearing for the petitioners submits that each of the petitioner company would pay an amount of Rs.1,00,000/- towards costs which shall be deposited in the following manner:

(i) Rs.50,000/- to be deposited by the transferor company with Army Wives Welfare Fund, Room No. 213, South Block, New Delhi-110011.

(ii) Rs.50,000/- to be deposited by the transferee company with Air Force Wives

Welfare Association, Santushti Shopping Complex, New Wellington Camp, Opp. Samrat Hotel, Race Course, AF Station, New Delhi-110003;

(iii) Rs.50,000/- to be deposited by the transferee company with Delhi Police Welfare Fund, DCP, Provision & Line. Old Police Line, Delhi.

(iv)Rs.50,000/- to be deposited with the Common Pool Fund maintained by the Official Liquidator

It is directed accordingly. Petitioners to deposit the costs, as aforesaid, within 2 weeks with the organizations mentioned against their respective names.

Copy of the directions with respect to the costs be communicated to the organizations concerned. Proof of deposit to be filed in the Registry. In case of non-deposit of costs, petitions be placed before court for directions.

26. Petition is disposed of in terms of the above order.

Dasti.

September 17, 2008kr

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GITA MITTAL, J

*As per office note filed for
Direct a.*

Certified to be True Copy
Shayle
Examiner Judicial Department
High Court of Delhi.
Authenticated Under Section 35
of the Evidence Act.

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% 27.11.2008

Present:- Mr. Mohit Bakshi, Adv. for the petitioner.
Ms. Manisha Tyagi, Adv. for the Official Liquidator.

+ C.P. No.124/2008

*

It is pointed out in this matter that in the order dated 17th September, 2008, the certification by the Official Liquidator in compliance with Section 394 of the Companies Act, 1956 has escaped notice.

I find that the Official Liquidator had submitted a report dated 1st September, 2008 reporting that on a scrutiny of the scheme for amalgamation, the Official Liquidator had not received any complaint against the proposed scheme of amalgamation from any person/parties interested in this scheme in any manner. On the basis of the information submitted by the petitioner company, the Official Liquidator was of the view that the affairs of the transferor company, which is the applicant herein, do not appear to have been conducted in a manner prejudicial to the interest of its members, creditors or public interest.

In view of the endorsement of the scheme by the Official Liquidator as well, there was no legal impediment to the grant of the sanction of the proposed scheme of amalgamation which was

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Examiner Judicial Dept
High Court of Delhi

allowed by the order dated 17th September, 2008. The report of the Official Liquidator had been placed before the court when the scheme was taken up for consideration on the 17th September, 2008.

The order recorded today shall be read as part of the order dated 17th September, 2008.

Dasti.

November 27, 2008
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Sd/-
GITA MITTAL, J

Certified to be True Copy
Singh
Member Judicial Department
High Court of Madhya Pradesh
Authorized Under Section 52 of
Arms Act

IN THE HIGH COURT OF DELHI AT NEW DELHI
(ORIGINAL JURISDICTION)
IN THE MATTER OF THE COMPANIES ACT, 1956
AND
IN THE MATTER OF SCHEME OF AMALGAMATION
OF
COMPANY PETITION NO. 124/2008
CONNECTED WITH
COMPANY APPLICATION (M) NO. 70/2008
IN THE MATTER OF M/s. Bharti Aquanet Ltd.
having its Regd. office at :
H-5/12, Qutab Ambiance,
Mehrauli Road, New Delhi-110030

Petitioner/Transferor company

WITH
IN THE MATTER OF M/s. Bharti Airtel Limited
having its Regd. office at :
H-5/12, Qutab Ambiance,
Mehrauli Road, New Delhi-110030

Transferee Company

BEFORE HON'BLE MS. JUSTICE GITA MITTAL
DATED THIS THE 17th DAY OF SEPTEMBER, 2008

ORDER UNDER SECTION 394 OF THE COMPANIES ACT, 1956

The above petition came up for hearing on 17/9/2008 & 27.11.2008 for sanction of Scheme of Amalgamation proposed to be made of M/s. Bharti Aquanet Ltd. (hereinafter referred to as the Transferor Company) with M/s. Bharti Airtel Ltd. (hereinafter referred to as the Transferee Company). The Court examined the petition; the order dt. 23/4/2008 passed in CA (M) 70/2008, whereby the requirement of convening and holding the meetings of the equity shareholders of the Transferor Company for the purpose of considering and if thought fit approving with or without modification, the Scheme of Amalgamation annexed to the affidavit of Sh. Amit Khara, authorized representative of the petitioner company filed on 21st day of April, 2008 was dispensed with; there being no secured and unsecured creditors of the Transferor Company; the publication in the newspapers namely (1) Statesman (English) (2) Jansatta (Hindi) dt. 16/5/2008 containing advertisement of the notice.

The Court also examined the report filed by Sh. Dhan Raj, Regional Director, Northern Region, Ministry of Corporate Affairs, Noida on behalf of Central Government vide

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Criminal Justice Dept
High Court of Delhi

affidavit dated 1/9/2008 stating that the petitioner company be asked to furnish an affidavit that they shall comply with the Accounting Treatment as prescribed under the Accounting Standard-14 which is the Accounting for Amalgamation (standard) issued by the Institute of Chartered Accountants of India. An affidavit has been filed in the present proceedings by Mr. Jitin Wasan an authorised representative of M/s. Bharti Airtel Limited the Transferee Company wherein an undertaking has been given that the Transferee Company will comply the Accounting Treatment as prescribed under Accounting Standard-14, which is Accounting for Amalgamation (standard) issued by the Institute of Chartered Accountants of India. This undertaking has been accepted and the Transferee Company shall remain bound by the same. The Court has observed that the objection taken by Regional Director stands satisfied. The second objection taken by Regional Director in Para-5 of the affidavit dated 1/9/2008 was that the Shares of M/s. Bharti Airtel Limited the Transferee company are listed at the National Stock Exchange and the Bombay Stock Exchange and that the Transferee Company had failed to furnish no objection from these Stock Exchanges to the Scheme of Amalgamation. The Court noted ^{that 2} M/s. Bharti Airtel Limited the Transferee Company had addressed a letter dated 21st April, 2008 to the Bombay Stock Exchange Limited and the National Stock Exchange of India informing it about the proposed scheme of Amalgamation between the Transferor and transferee Companies. They were informed of the fact that the Transferee Company was not filing any application/petition before this court and that only the Transferor Company was seeking approval of scheme. A copy of the scheme was also forwarded with the letter. It was clearly informed that the Transferor Company was a wholly owned solvent subsidiary of the Transferee and that its merger, if approved by this Court, would not adversely effect its Shareholders. This communication was followed by another letter of the 23rd April, 2008 informing the stock exchanges that by the order dated 23rd April, 2008 this Court had exempted the Transferee Company from filing any application for approval of the Scheme on their behalf. It has been stated on affidavit that no response or objection has been received from the Bombay Stock Exchange or the National Stock Exchange of India Limited against the above letters. The Transferee Company had also informed the Stock Exchanges that in terms of the Clause 24(f) of listing Agreement, no prior approval or clearance of the stock exchange was required. The third objection raised by Regional Director was that the Transferee Company M/s. Bharti Airtel Limited be directed to obtain the necessary approvals from the Ministry of Telecommunication

B. J. Singh

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Criminal Judicial Dept
High Court of Delhi

for transfer of licenses pursuant to the Ministry's communication dated 9th June, 2003. In the affidavit which has been filed on behalf of the Transferee Company, it has been stated that the Transferee Company is required to apply for transfer of licenses of the Transferor Company only after the Scheme of Amalgamation is sanctioned and approved by this Court. The Transferee Company has undertaken that it would comply with all procedural requirements notified by the Ministry of Telecommunication on approval being granted to the scheme by this Court.

Upon hearing Sh. Sandeep Sethi, Sr. Advocate with Mr. Mohit Bakshi, Advocates for the petitioner, Ms. Manisha Tyagi, Advocate for the Official Liquidator and Mr. Raisuddin, Asstt. Registrar of Companies in person; and in view of the approval of the Scheme of Amalgamation without any modification by the equity shareholders of the Transferor Company; and in view of the affidavit of Sh. A. K. Chaturvedi, Official Liquidator filed on 2/9/2008 stating therein that the affairs of the Transferor Company have not been conducted in a manner prejudicial to the interest of its shareholders or Creditors or to public interest; and there being no investigation proceedings pending in relation to the petitioner company under Section 235 to 251 of the Companies Act, 1956,

THIS COURT DOETH HEREBY SANCTION THE SCHEME OF AMALGAMATION set forth in Schedule-I annexed hereto and Doeth hereby declare the same to be binding on all the shareholders and creditors of the Transferor and Transferee Companies and all concerned and doth approve the said Scheme of Amalgamation with effect from the appointed date as mentioned in the Scheme of Amalgamation.

AND THIS COURT DOETH FURTHER ORDER:

1. That all the property, rights and powers of the Transferor Company specified in the First, Second and Third parts of the Schedule-II hereto and all other property, rights and powers of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to and vest in the Transferee Company for all the estate and interest of the Transferor Company therein but subject nevertheless to all charges now affecting the same; and
2. That all the liabilities and duties of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to and become the liabilities and

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Examiner Judicial Dept
High Court of Delhi

duties of the Transferee Company; and

3. That all the proceedings now pending by or against the Transferor Company be continued by or against the Transferee Company; and

4. The Transferor Company being a 100% subsidiary of the Transferee Company with Paid up Capital of 2,500,000 equity shares of the face value of Rs. 10/- each aggregating to Rs. 25,000,000/-, upon dissolution of the Transferor Company under the Terms of this Scheme, all the afore-stated 2,500,000 shares of the face value of Rs. 10/- each aggregating to Rs. 25,000,000/- held by the Transferee Company in the Transferor Company shall stand cancelled without any further act or deed.

5. That the Transferor Company do within five weeks after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the Transferor Company shall be dissolved without undergoing the process of winding up and the Registrar of Companies shall place all documents relating to the Transferor Company on the file kept by him in relation to the Transferee Company and the files relating to the said Transferor and Transferee Companies shall be consolidated accordingly. It is also clarified that this order will not be construed as an order granting exemption from payment of stamp duty that is payable in accordance to law; and

6. That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary; and

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Registrar Judicial Dept
High Court of Delhi

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SCHEDULE - I

SCHEME OF AMALGAMATION

BETWEEN

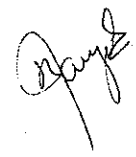
Bharti Aquanet Limited

Transferor Company

AND

Bharti Airtel Limited

Transferee Company



For Bharti Airtel Limited



(Authorised Signatory)

For Bharti Aquanet Limited



(Authorised Signatory)



ATTORNEY
Shri...
Examiner Judicial Dept
High Court of Delhi

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PART-I

A. Definitions

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

- (i) "Act" means the Companies Act, 1956 and any amendments and/ or re-enactment or modifications thereof for the time being in force.
- (ii) "The Appointed Date" means the date on which a certified copy of the order of the Hon'ble Court, sanctioning the scheme, is filed with the Registrar of Companies, NCT of Delhi & Haryana.
- (iii) "The Effective Date" means the date on which the last of the approvals/ events specified in Clause 5 of Part V of the Scheme are obtained/ have occurred.
- (iv) **Transferor Company** or BAQL means "Bharti Aquanet Limited", a Company incorporated under the Act and presently having its Registered Office at H-5/ 12, Qutab Ambience, Mehrauli Road, New Delhi- 110 030.
- (v) **Transferee Company** or Airtel means "Bharti Airtel Limited", a Company incorporated under the Act and having its Registered Office at H-5/ 12, Qutab Ambience, Mehrauli Road, New Delhi- 110 030.
- (vi) "**Transferred Undertaking of Transferor Company**" means and include all of the undertakings of Transferor Company as illustratively listed out and marked in Schedule - I hereto and shall mean and include: -
 - (a) all the present and future assets including freehold and/ or leasehold assets and movable assets together with all investments, all present and future liabilities and debts and undertakings of the Transferor Company, as per the records of Transferor Company;



For Bharti Airtel Limited

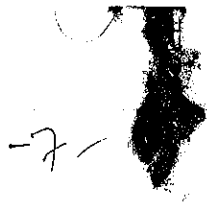
(Authorised Signatory)

ATTES
Commissaire Judiciaire

For Bharti Aquanet Limited

(Authorised Signatory)





- (b) All licenses, approvals, permissions, consents, registrations, and certifications, rights, entitlements, agreements and all other rights and facilities of every kind, nature and description whatsoever of Transferor Company as illustratively listed out and marked in Schedule – II hereto
- (c) all application monies, advance monies, earnest monies and/or security deposits paid, payments against other entitlements of the Transferor Company;
- (d) all the debts, liabilities, duties, responsibilities and obligations of Transferor Company;
- (e) All present and future immoveable assets including all freehold, leasehold and any other title, interest or right in such immovable assets, of the Transferor Company including those comprised in the Transferred Undertaking of the Transferor Company as per the Records of the Transferor Company as illustratively listed out and marked in Schedule – III hereto;
- (f) All present and future investments including long term, short term, quoted, unquoted investments in different instruments including shares, debentures, units, warrants, bonds etc. as per the Records of the Transferor Company including those illustratively listed out and marked in Schedule – IV ;
- (viii) "Scheme" means this Scheme of Amalgamation as set out herein and approved by the Board of Directors subject to such modifications as the Hon'ble High Court of Delhi, at New Delhi may impose or the Transferor Company may prefer and the Hon'ble High Court of Delhi at New Delhi may approve.

B. THE SCHEME



For Bharti Airtel Limited

(Authorized Signatory)



ATTESTED
Crawford
Crawford
High Court of Delhi

For Bharti Aquanet Limited

(Authorized Signatory)



Transferee Company – Bharti Airtel Limited

Bharti Airtel Limited (the Transferee Company herein) was incorporated under the name and style “Bharti Tele- Ventures Limited on 7th July, 1995 and obtained Certificate of Commencement of business on 18th January, 1996 from Registrar of Companies, NCT of Delhi & Haryana. The Company came out with its maiden IPO (Initial Public Offer) in February 2002 and is listed on National Stock Exchange (NSE), The Stock Exchange, Mumbai (BSE).

Further, by passing a special resolution on 22nd March, 2006, the Company changed its name from “Bharti Tele-Ventures Limited” to “Bharti Airtel Limited” and Registrar of Companies NCT of Delhi & Haryana has issued fresh Certificate of Incorporation on 24th April, 2006.

Airtel is the flagship Company of Bharti Group and is providing telecommunication services like mobile, fixed line, long distance and data services.

Transferor Company
Bharti Aquanet Limited

Bharti Aquanet Limited (hereinafter referred to as “the Transferor Company”) was incorporated on 03.10.2000 with the Registrar of Companies, NCT of Delhi & Haryana. The Company obtained Certificate of Commencement of Business on 01.11.2000 from the office of Registrar of Companies, NCT of Delhi & Haryana.

AMALGAMATION OF ALL UNDERTAKINGS OF TRANSFEROR COMPANY WITH TRANSFEREE COMPANY

Transferor Company has set up landing station at Chennai for handling data and voice transmission in and out of India in association with Domestic Long Distance operators and Submarine Cable Companies. Initially the Transferor Company was 51% subsidiary and the balance 49% capital of Transferor Company was held by Singtel of Singapore.

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Examiner
Examiner Judicial Dept
High Court of Delhi



For Bharti Airtel Limited

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For Bharti Aquanet Limited

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Thereafter, the Transferee Company acquired the balance 49% shareholding of Transferor Company from Singtel and as a result the Transferor Company became 100% subsidiary of Transferee Company. Hence with a view to maintain a simple corporate structure and eliminate duplicate corporate procedures it's desirable to merge and amalgamate all the undertakings of Transferor Company into the Transferee Company by vesting with the Transferee Company.

The Scheme of Amalgamation will consolidate the different platforms of technology into a common platform and enable the Transferee Company to provide single window integrated telecom solutions, into new service areas as well expand it's subscribers base.

The Amalgamation of all Undertakings of Transferor Company into the Transferee Company shall facilitate consolidation of all the undertakings in order to enable effective management and unified control of operations.

The Amalgamation would create economies in administrative and managerial costs by consolidating operations and will substantially reduce duplication of administrative responsibility and multiplicity of records and legal and regulatory compliances.

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 Examiner Judicial Dept
 High Court of Delhi

For Bharti Airtel Limited



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For Bharti Aquanet Limited



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PART-II

SHARE CAPITAL

The present capital structure of the Transferor Company and the Transferee Company is as under: -

The capital structure of the Transferor Company as at 31.3.2007 is as follows:


Share Capital	As at 31.3.2007 (Amount in Rs.)
Authorized Capital	
5,000,000 Equity Shares of Rs. 10/- each	50,000,000
Issued Subscribed and Paid Up Capital	
2,500,000 Equity Shares of Rs.10/- each, fully paid up	25,000,000

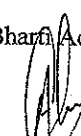
The capital structure of the Transferee Company as at 31.3.2007 is as follows:

Share Capital	As at 31.3.2007 (Amount in Rs.)
Authorized Capital	
2,500,000,000 Equity Shares of Rs. 10/- each	25,000,000,000
Issued Subscribed and Paid Up Capital	
1,895,934,157 Equity Shares of Rs.10/- each, fully paid up	18,959,341,570

IN CONSIDERATION OF THE RECIPROCAL PROMISES AND THE AMALGAMATION, THE TRANSFEROR COMPANY, AND ITS SHAREHOLDERS AND THE TRANSFEREE COMPANY HAVE PROPOSED THE SCHEME OF AMALGAMATION AS SET OUT IN PARTS III TO VI BELOW.

ATTENTION
Examiner/Principal Dept
High Court of Delhi

For Bharti Airtel Limited

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For Bharti Aquanet Limited

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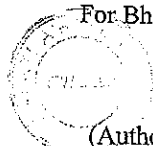
PART - III

**TRANSFER OF TRANSFERRED UNDERTAKINGS OF
TRANSFEROR COMPANY**

1. (a) With effect from the Appointed Date the Transferor Company shall dissolve without winding-up and merge with the Transferee Company and all of the assets, investments, licenses, rights, title and interests comprised in the Transferred Undertaking shall pursuant to Section 394(2) of the Act and without any further act or deed be transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company so as to become as and from the Appointed Date, the estate, assets, license, rights, title and interest of the Transferee Company subject to Clause 5, Part V of the Scheme.
- (b) In respect of such of the assets of the Transferred Undertaking as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery, or transfer by vesting and recordal pursuant to this Scheme the same shall stand transferred and vested with effect from the Appointed Date and shall become the property of the Transferee Company.
2. (a) Upon the coming into effect of this Scheme all permits, registrations, approvals, consents, statutory licences, licences to set-up and operate any business, quotas, rights, entitlements, any other licenses including those relating to Trademarks, tenancies, patents, copy rights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Transferor Company including those illustratively listed out in Schedule - I hereto, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be & remain in full force and effect in favour of or against the Transferee

ATTENDED
Shreyas
Examiner Medical Dept
High Court of Delhi

For Bharti Airtel Limited



(Authorised Signatory)

For Bharti Aquanet Limited



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Company, as the case may be, and may be enforced as fully and effectually as if, instead of the Transferor Company the Transferee Company had been a party or beneficiary or obligee thereto.

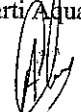
(b) Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, agreements, arrangements and other instruments of whatsoever nature in relation to the Transferred Company to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company the Transferee Company had been a party or beneficiary or obligee thereto.

(c) Any inter se contracts between the Transferor Company and the Transferee Company shall stand merged and vest in the Transferee Company upon the sanction of the Scheme and upon the Scheme becoming effective. Any statutory licenses, authorizations, statutory rights, permissions, approvals, Sales Tax, service Tax, Excise, Provident Fund, ESI, DGFT, Reserve Bank of India, Importer-Exporter Code etc. or other registrations, no-objection certificates or consents to carry on the operations in the Transferred Undertakings of Transferor Company shall stand transferred and vested in the Transferee Company without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Transferee Company upon the vesting and transfer of the Transferred Undertakings of Transferor Company pursuant to this Scheme so as to empower and facilitate the continuation of operations of the Transferred Undertakings of Transferor Company in the Transferee Company without any hindrance or let from the Appointed Date.

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Chauhan
Clerk
Judicial Dept
High Court of Delhi

3. (a) Upon the coming into effect of this Scheme, the debts, advances, liabilities and obligations of the Transferor Company

For Bharti Airtel Limited

(Authorized Signatory)

For Bharti Aquanet Limited

(Authorized Signatory)



shall, without any further act or deed be and stand transferred to the Transferee Company and shall become the debts, liabilities and obligations of the Transferee Company which it undertakes to meet, discharge and satisfy.

(b) All liabilities and obligations including those arising out of any guarantees executed by Transferor Company will stand transferred and vested in the Transferee Company as part of the continuing contractual obligations vested in the Transferee Company.

(c) With effect from the Appointed Date and upto and including the Effective Date, all legal or other proceedings by or against Transferor Company under any statute, or otherwise whether pending on the Appointed Date or which may be instituted in future in respect of any matter arising before the Effective Date shall be continued and enforced by or against Transferee Company after the Effective Date.

4. The transfer and vesting of the Assets/ Investments and liabilities of the Transferred Undertakings of Transferor Company to the Transferee Company and the continuance of any proceedings by or against the Transferee Company hereof shall not affect any transaction or proceedings already completed by the Transferor Company on and from the Appointed Date to the end and intent that the Transferee Company accepts all acts, deeds and things done and executed by and/or on behalf of the Transferor Company as acts, deeds and things done and executed by and on behalf of the Transferee Company. For the consolidation of the accounts of Transferor Company with the Transferee Company after the Scheme becoming effective the opening balances under various head of assets and liabilities of the Transferor Company, as on Appointed Date shall be considered by the Transferee Company.

ATTENTION
Shayla
Examiner Judicial Dept
High Court of Delhi

5. (a) All employees of the Transferor Company as on the Effective Date, shall as from such date, become employees of the



For Bharti Airtel Limited

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For Bharti Aquanet Limited

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Transferee Company with the benefit of continuity of service on same terms and conditions being not unfavorable with the terms and conditions applicable to such employees and without any breach or interruption of service. In regard to Provident Fund, Gratuity Fund, Supperannuation fund or any other special fund created or existing for the benefit of such employees of the Transferor Company, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds, and applicable acts in the respective Trust Deeds or other documents.

It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such schemes or funds shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Company will be treated as having been continuous for the purpose of the aforesaid schemes, fund, Trusts etc.

- (b) In the event that the Trustees are constituted as holders of any securities, Trust funds or Trust monies, in relation to any Provident Fund Trust, Gratuity Trust or Supperannuation Trust of the Transferor Company, such funds shall be transferred by such Trustees of the Trusts of the Transferor Company to Trusts managed by the Trustees of the Transferee Company set up for the same purpose and object and shall be deemed to be a transfer of trust property from one set of Trustees to another set of Trustees in accordance with the provisions of the relevant labour laws, Indian Trust Act, and the Indian Income Tax Act 1961 and relevant Stamp Legislations as applicable. Appropriate Deeds of Trusts and/or documents for transfer of Trust properties shall be simultaneously executed upon the sanction of the Scheme in accordance with the terms hereof by the Trustees of such Trusts in favour of the Trusts of the Transferee Company so as to continue the benefits of the

ATTENTION
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 Criminal Judicial Dept
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For Bharti Airtel Limited

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29

employees. The Provident Fund Trust, Gratuity Trust or Superannuation Trusts of the Transferor Company shall continue to hold such securities, Trust Funds and/or Trust monies as hitherto fore, till such time as the transfer to the Trustees of the Transferee Company Employee's Trusts is made.

(c) The Transferee Company undertakes to continue to abide by any agreement(s)/settlement(s) entered into by the Transferor Company with any Labour union(s)/employees of the Undertakings of the Transferor Company. The Transferee Company agrees that for the purpose of payment of any retrenchment, compensation, gratuity and other terminal benefits, the past services of such employees with the Transferor Company shall also be taken into account, and agrees and undertakes to pay the same as and when payable.


6. Upon the coming into effect of the Scheme, all Motor Vehicles of any nature whatsoever comprised in or relatable to the Transferred Undertakings of Transferor Company shall vest in the Transferee Company and the appropriate Governmental and Registration Authorities shall mutate and register the said vehicles in the name of the Transferee Company as if the vehicles had originally been registered in the name of the Transferee Company without levying or imposing any fees, charges, taxes or levy whatsoever.

7. In accordance with the Modvat/ Cenvat Rules framed under the Central Excise Act, 1944, or the Service Tax Credit Rules framed under the Finance Act, 1994 or any other enactment, rules or provisions in this regard, as are prevalent at the time of the sanction of the Scheme, the unutilised credits relating to Excise duties paid on inputs/capital goods lying to the account of the Transferred Undertakings of Transferor Company in the RG23A and RG23C Registers as well as the unutilised credits relating to Service Tax paid on input services consumed by the Transferor Company shall be permitted to be transferred to the Credit of the Transferee Company, as if, all such Modvat/ Cenvat/ Service Tax Credits were lying in the RG

ATTENTION
Company
Registrar Judicial Dept
High Court of Delhi

For Bharti Airtel Limited

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For Bharti Aquanet Limited

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23A and RG 23C Registers of the Transferee Company. The Transferee Company shall be entitled to set off all such unutilised Modvat/ Cenvat/ Service Tax Credits, as aforesaid, against the Excise duty / Service Tax payable by it.

Similarly upon the coming into effect of the Scheme, all the unutilised credits of Custom Duties including CVD standing in the books and paid by Transferor Company shall be carried forward to the books of Transferee Company and the Transferee Company shall be entitled to set off all such unutilised credit of Custom Duty including CVD against any statutory duty or levy including Output Service Tax payable by it.

Upon the coming into effect of the Scheme, all the unutilised Value Added Tax credits standing in the books of Transferor Company shall be carried forward to the books of Transferee Company and the Transferee Company shall be entitled to set off all such unutilised Value Added Tax Credits against the Value Added Tax/ Output Service Tax payable by it or may claim refund of such unutilised credits of Value Added Tax in terms of prescribed VAT Rules.

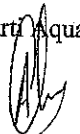
8. The Transferor Company is entitled to various benefits under Incentive Schemes and Policies relating to the Transferred Undertakings of Transferor Company and pursuant to this Scheme it is declared that the benefits under all of such Incentive Schemes and Policies shall be transferred to and vested in the Transferee Company.

9. The Transferor Company may be entitled to various benefits under Vendor Approvals from various clients enabling the Transferor Company to do business with such clients pursuant to such Vendor Approvals and pursuant to this Scheme it is declared that the benefits under Vendor Approvals from various clients enabling the Transferor Company to do business with such clients pursuant to such Vendor Approvals stand and be transferred to and vested in the Transferee Company as if all such Vendor Approvals were in fact issued/given to the Transferee Company instead of the Transferor Company by such clients.

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Examiner Judicial Dept
High Court of Delhi

For Bharti Airtel Limited

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For Bharti Aquanet Limited

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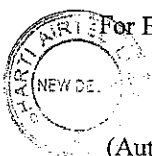
PART IV


PAYMENT OF CONSIDERATION / ISSUE OF SHARES

1. The Transferor Company is a 100% subsidiary of the Transferee Company and hence the entire Paid up Capital of Transferor Company i.e. 2,500,000 equity shares of the face value of Rs. 10/- each aggregating to Rs.25,000,000/- is held by the Transferee Company in the Transferor Company Since the provisions of the Act do not permit a Company to hold its own shares, upon dissolution of the Transferor Company under the Terms of this Scheme, all the afore-stated 2,500,000 shares of the face value of Rs.10/- each aggregating to Rs.25,000,000/- held by the Transferee Company in the Transferor Company shall stand cancelled upon this Scheme becoming effective without any further act or deed.

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Singh
Company's Justice Dept
 Visit: www.rajeev.com

For Bharti Airtel Limited

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For Bharti Aquanet Limited

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- 1. License Agreement for provisions of Internet Services No. 820-545/2000-LR Dated 10-10-2001 entered with Government of India, Ministry of Communications, Department of Telecommunications, Telecom Commission.

As per the policy notified by Ministry of Telecommunication vide their Letter No. No.820-1/2003-LR the transfer of any license issued by the Ministry is permitted on fulfilment of certain conditions. One of the conditions stipulated in the said letter is that in case of Mergers/Demergers the transfer of license is permitted after the merger or demerger is sanctioned and approved by the High Court or Tribunal as per the law in force; in accordance with the provisions; more particularly of Sections 391 to 394 of Companies Act, 1956. Accordingly as per above mentioned letter of Ministry of Telecom {MoT} the Transferee Company will apply for transfer of license of Transferor Company only after the Scheme of Amalgamation is sanction and approved by this Hon'ble Court and the Transferee Company shall duly comply with the procedure notified by Department of Telecommunication (DoT), Ministry of Telecom for transfer of license and shall make an application for transfer of licenses of Transferor Company only after the Scheme of Amalgamation is sanctioned and approved by this Hon'ble Court.

- (b) Subject to above and upon coming into effect of the Scheme, all permissions, licenses including Internet Service Provider license, approvals, incentives, remissions, tax-incentives, licence fee, , licences, consents, sanctions, and other authorizations to which the Transferor Company is entitled to and also which are comprised in the Transferred Undertaking (s) of Transferor Company, shall stand vested and permitted or continued by the order of sanction of this Hon'ble Court in the Transferee Company, therefore the Transferee Company shall file the Scheme, for the record of the statutory authorities who shall take it on file, pursuant to the sanction orders of the

ATTENTION
 Shri J. K. Datta
 Member Judicial Bench
 High Court of Delhi



For Bharti Airtel Limited

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For Bharti Aquanet Limited

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Hon'ble High Court of Delhi at New Delhi.

- (c) Transferee Company is authorised to take all such steps on behalf of the Transferor Company, as may be necessary to give effect to the provisions contained in sub-clause (a) & (b) above.
3. The Transferor Company is a 100% subsidiary of Transferee Company. Upon the Scheme of Amalgamation becoming effective the entire shares held by Transferee Company in the Transferor Company shall stand cancelled, because a Company can't hold its own shares as detailed hereinabove. Hence after the Scheme of Amalgamation becoming effective the Transferee Company shall not be required to issue any shares and its paid up capital/capital structure will not be affected because of the Scheme of Amalgamation.

In view of the above proposition the interest of shareholders of Transferee Company is not affected in any manner whatsoever. There will be no introduction of new shareholders or issue of new shares by Transferee Company subsequent to amalgamation of Transferor Company. Even at present the Transferor Company is held and owned entirely by the Transferee Company and exercise of proposed amalgamation is only resulting in consolidation of undertakings of Transferor Company in the balance sheet of the Transferee Company.

The Transferor Company is commercially solvent and its undertaking(s) can fully take care and honor its creditors, if any and all liabilities, therefore by virtue of amalgamation of undertakings of Transferor Company into Transferee Company, the creditors if any of Transferee Company shall not be affected in any manner whatsoever.

Further the Transferee Company has got a much larger capital and operation base, hence upon the amalgamation of undertakings of Transferor Company into Transferee Company shall also not affect the creditors of Transferor Company, in any manner whatsoever.

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 High Court of Delhi

Based on the above principal various High Courts of the Country have pronounced judgments confirming the position of law that since the

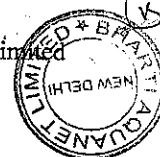


For Bharti Airtel Limited

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For Bharti Aquanet Limited



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interest of shareholders of Transferee Company is not being affected, therefore the Transferee Company need not be an applicant before the Hon'ble High Court for sanctioning of a Scheme of Amalgamation under Section 391 - 394 of the Companies Act, 1956.

The extract from the judgment of Hon'ble Justice D Y Chandrachud of Hon'ble High Court of Judicature of Bombay in the matter of MAHAAMBA INVESTMENTS LTD. v. IDI LIMITED. {Citation 2001-(105)-COMPCAS -0016 -BOM} is reproduced here in below:-

In the present case, having regard to the relevant clauses of the proposed scheme and particularly the provision whereby no new shares are sought to be issued to the members of the transferor-Company by the transferee-Company, the scheme will not affect the members of the transferee-Company. The creditors of the transferee-Company are not likely to be affected by the scheme in view of the financial position of the transferee-Company. In paragraphs 13 and 14 of the affidavit in support of the Company application, the financial position of the transferor and transferee-Companies has been set out and which would show that in so far as the transferor-Company is concerned, it has an excess of assets over liabilities to the extent of Rs. 508 lakhs whereas in the case of the transferee-Company, there is an excess of assets over liabilities to the extent of Rs. 6,900 lakhs.

In the circumstances, the office objection is accordingly disposed of with the clarification that filing of a separate petition by the transferee-Company is not necessary, in the facts and circumstances of the present case.

ATTENTION
Shayyar
Criminal Judicial Dept
High Court of Delhi

The other judgment in which the said concept is dealt with and confirmed is of the Hon'ble High Court of Delhi at New Delhi in the matter of Sharat Hardware Industries P. Ltd. {1978-(048)-COMPCAS-0023-DEL}



For Bharti Airtel Limited

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For Bharti Aquanet Limited

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I also noticed that the transferor-Company (the petitioner) was a wholly-owned subsidiary Company of the transferee-Company and, therefore, it was not necessary for the transferee-Company to approve the scheme. The reason I reached this conclusion was that section 391 of the Act deals with two special cases :

- (a) when there is a compromise or arrangement between a Company and its creditors or any class of them and
- (b) where the compromise or arrangement is between a Company and its members or any class of members.

Considered from the point of view of the petitioner-Company there is a scheme affecting the members of the Company because as a result of the scheme affecting the members of the Company because, as a result of the scheme, the transferor-Company will cease to exist and will be fully merged in the transferee-Company. When the scheme comes into operation the shareholders of the petitioner-Company will cease to have any shares in the petitioner-Company. Therefore there is a compromise between the petitioner-Company and its shareholders. Considered from the point of view of the transferee-Company, there is no such proposal. The assets and liabilities of the petitioner-Company will be appropriate under the scheme by the transferee Company, the shareholding and other rights of the members of the transferee-Company will be unaffected, because no new shares are being issued and there is not going to be any change in the capital structure of the transferee-Company. These are facts which are ascertainable on an analysis of the scheme. Therefore, the scheme or arrangement considered from the point of view of the transferee-Company is not a scheme or arrangement coming within the field of operation of

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Group
Criminal Judicial Dept
High Court of Delhi



For Bharti Airtel Limited

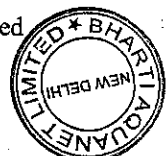
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For Bharti Aquanet Limited

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section 391 and does not seem to require the approval of creditors or a subsequent sanction by the court. Now, two other cases have been brought to my notice in which the question whether the transferee-Company is also required to approve the scheme, has been considered. Those two cases are In re Carron Tea Co. Ltd. [1966] 2 Com LJ 278 (Cal) decided by the Calcutta High Court and In re Union Services Private Ltd. [1973] 43 Comp Cas 319 (Mad) decided by the Madras High Court; although both these cases are somewhat different on facts, the decision in both cases was that the scheme does require the approval of the transferee-Company under section 391 of the Act. In both cases there was some change affecting the members or creditors of the transferee-Company. That position is not true in the present case. The point that require analysis is whether, in law, the present scheme requires the approval of the transferee-Company, because if it does, it would be pointless approving the scheme which could not be carried into effect qua the transferee-Company.

The said concept was also confirmed in the matter of **"Santhanalakshmi Investments (P) Ltd."** by Hon'ble High Court of Madras on 28.09.2005 in Company Petition No. 151 of 2005. *Citation [2006] 129 CompCas789 (Mad)*

Based on the current facts and circumstances as well as the judgments of various Hon'ble High Courts of the country, the Transferee Company proposes not to approach the Hon'ble High Court of Delhi at New Delhi for seeking the sanctioning of the Scheme of Amalgamation under Section 391-394 of the Act and only the Transferor Company shall file the necessary applications/ petitions before the Hon'ble High Court of Delhi at New Delhi for sanction of this Scheme under the provisions of Sections 391 and 394 of the Act.

All disputes and differences arising out of this Scheme shall be subject to the jurisdiction of the Hon'ble High Court of Delhi at New Delhi

ATTENTION
George
Company Secretary
Hon'ble High Court of Delhi



For Bharti Airtel Limited

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For Bharti Aquanet Limited

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only.

4. i. Upon the Scheme being sanctioned Transferor Company shall stand dissolved without being wound up as on the Appointed Date and all their Undertakings shall vests with Transferee Company.
- ii. Upon the Scheme of Amalgamation becoming effective the Transferee Company shall take effect of the amalgamation of all the Transferred Undertakings of Transferor Company in its Books of Accounts in accordance with the provisions of Accounting Standard 14 on the accounting of amalgamations, as notified by the Ministry of Corporate Affairs vide their notification no. G.S.R. 739 (E) dated 7th December 2006 and as may be amended from time to time and/or as may applicable on the effective date of Scheme of Amalgamation.
- iii. The entire expense for the Scheme of Amalgamation shall be initially borne by Transferor Company which will be eventually merged in the books of accounts of Transferee Company upon the Scheme of Amalgamation becoming effective.
- iv. Upon the Scheme of Amalgamation becoming effective and without any further act or deed, the title of all Bank Accounts being maintained by the Transferor Company shall automatically stand changed in favor of Transferee Company and the said bank accounts will be run and maintained with same signatories structure and as if opened originally by the Transferee Company.
5. This Scheme shall be deemed to be effective upon the occurrence of the last of the following events: -
- (a) The approval of the Scheme by the requisite majority of the members and creditors of the Transferor Company, as the case may be, as required under Sections 391-394 of the Act.

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Contract Medical Dept
High Court of Delhi



For Bharti Airtel Limited

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For Bharti Aquanet Limited

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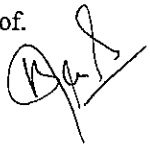


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39


- (b) The sanction of the Scheme by the Hon'ble High Court of Delhi at New Delhi under Sections 391 to 394 of the Act and other applicable provisions of the Act, Rules and Regulations, as the case may be.

- (c) Certified copies of the orders being filed with the Registrar of Companies, NCT of Delhi and Haryana for registration thereof.



ATTESTED
Shayya
Registrar Judicial Dept
High Court of Delhi

Per Bharti Airtel Limited

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Per Bharti Aquanet Limited

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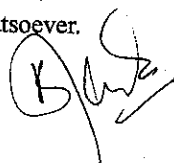
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SCHEDULE I

Illustrative (and not exhaustive) descriptive list of the Transferred Undertaking(s) of the Transferor Company


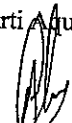
A. All of the business and undertakings of the Transferor Company including and relating to the Chennai Submarine Cable Landing Station which links submarine cable between India and Singapore and handles data and voice transmission in and out of India, along with all rights, title and interest in all immovable, movable and incorporeal assets, whether free-hold, leasehold or licensed and also all rights and entitlements comprised in the businesses of the Transferor Company including all statutory licenses, approvals and registrations (as may be necessary to operate the businesses or otherwise) and all rights in any licences/permissions issued by any Governmental authority/regulatory bodies including the Department of Telecommunication (DoT) to set up and operate any of the businesses of the Transferor Company either directly or indirectly through its subsidiary or group Companies or through any other person or entity and also all rights of ownership, whether owned or licensed in relation to any tradename, trading style and any other intellectual property of any nature whatsoever.



ATTESTED
Shayya
Examiner Judicial Dept
High Court of Delhi

For Bharti Airtel Limited


(Authorised Signatory)

For Bharti Aquanet Limited


(Authorised Signatory)

-27-

41

SCHEDULE II

Illustrative (and not exhaustive) descriptive list of licenses, approvals, permissions, consents, registrations and certifications, rights, entitlements, agreements etc. of the Transferor Company

1. License Agreement for provisions of Internet Services No. 820-545/2000-LR Dated 10-10-2001 entered with Government of India, Ministry of Communications, Department of Telecommunications, Telecom Commission.

2. Other Statutory permissions as listed below:-

S. No.	Particulars	Certificate/ Registration No.
1.	Permanent Account No. {PAN} issued by Income Tax Authorities	AACB4990J
2.	TDS Account No. {TAN} issued by Income Tax Authorities	DELBO5203C
3.	Provident Fund Registration	DL-8368
4.	Service Tax Registration No. issued by Excise Authorities	AACB4990JST001
5.	Sales Tax Registration (TIN)	
	Local	33900802708
	Central	33900802708

3. All permissions and approvals received from statutory and municipal bodies in respect of the carrying on of the business of providing Internet, VSAT services and telecommunication services in terms of the aforesaid licenses and maintenance and running of building named "Bharti Towers" at Chennai.

4. All other registrations received from statutory and regulatory authorities including from the sales tax department, income tax department, VAT, Entry Tax, excise and service tax departments, the labour departments, Shop and Establishment Department and any registration/recognition under any local sales tax act of Tamil Nadu or any other local By-Laws, Rules, Regulations, Stipulations or Acts of the State of Tamil Nadu or Government of India or any other State.

ATTENTION
Examiner Judicial Dept
High Court of Delhi



For Bharti Airtel Limited

(Authorised Signatory)

[Signature]

For Bharti Airtel Limited

(Authorised Signatory)

[Signature]



[Signature]

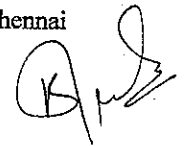
-98-

42

SCHEDULE III

Illustrative (and not exhaustive) descriptive list of all immovable assets including any other title, interest or right in such immovable assets, of the Transferor Company.

Sr. No.	Place	Property Address
1.	Chennai	Bharti Towers, 101 Santhome Road, Chennai



ATTORNEY
Snayy
Comptroller Judicial Dept
High Court of Delhi

For Bharti Airtel Limited



(Authorised Signatory)

For Bharti Aquanet Limited



(Authorised Signatory)



-2P-

43

SCHEDULE IV

Illustrative (and not exhaustive) list of all investments comprised in the Transferor Company

Short Term Non Trade Quoted Investments

Rupees (as on 31.03.2007)

> Mutual Funds Units

60,833,000



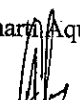
ATTESTED
Shayla
Company Judicial Dept
High Court of Delhi



For Bharti Airtel Limited



For Bharti Airtel Limited



-30-

1
SCHEDULE I

SCHEDULE I
PART A

List of Freehold Properties of Transferor Company, i.e. Bharti Aquanet Limited

1. Chennai Bharti Towers, 101 Santhome Road,
Chennai



ATTEST
Srinivas
Examining Judicial Officer
High Court of Delhi

-31

SCHEDULE II

PART A

List of Leasehold Properties of Transferor Company i.e. Bharti Aquanet Limited



NIL

EXISTING
Sharma
Registrar Judicial Dept
High Court of Delhi

-32-

3

SCHEDULE III

PART A

**Illustrative (and not exhaustive) list of all investments comprised in the
Transferor Company i.e. Bharti Aquanet Limited**

Short Term Non Trade Quoted Investments

Rupees (as on 31.03.2007)

➤ Mutual Funds Units 60,833,000

Long Term Non Trade Unquoted Investments

Nil

Certified to be True Copy
Shayin
Registrar, High Court of Madhya Pradesh
Authorized Under Section 19 of
Indian Evidence Act

Dated this the 17th September, 2008
(By order of the Court)

Sd/-
Deputy Registrar (Co)

17529
Date of Presentation of Application 23-9-08
No. of Pages 4
Copying 225
Process Ordinary
Registrar
Agency
Total Rupee 225
Name of Applicant Shobha
Date of Application 06/12/08
Date of Copy 08/12/08
Date of Delivery

Shobha
Administrative Officer
(Original)
High Court of Delhi
New Delhi
5/12

