

COMPOSITE SCHEME OF AMALGAMATION AND ARRANGEMENT

BETWEEN

DISH TV INDIA LIMITED

AND

AGRANI SATELLITE SERVICES LIMITED

AND

INTEGRATED SUBSCRIBER MANAGEMENT SERVICES LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

PREAMBLE

(A) Background and Description of Companies

1. Dish TV India Limited ('Dish TV'), having its registered office at Essel House, B-10, Lawrence Road, Industrial Area, New Delhi 110035, is engaged in the business of providing 'Direct-to-home' entertainment. The Company is listed on Bombay Stock Exchange and National Stock Exchange. Dish TV, directly and through its subsidiaries, is also engaged in non DTH businesses such as satellite project, HITS facility, subscriber management service, retailing and selling products and services related to telecommunication, media, entertainment and other related products and services.
2. Agrani Satellite Services Limited ('ASSL'), having its registered office at Essel House, B-10, Lawrence Road, Industrial Area, Delhi 110035, is incorporated to carry on the business of establishing, maintaining and operating satellite system, and providing communication transponder facilities and bandwidth to customers.
3. Integrated Subscriber Management Services Limited ('ISMSL'), having its registered office at Essel House, B-10, Lawrence Road, Industrial Area, Delhi 110035, is in the business of providing services on commercial basis pertaining to subscribers management including raising and collection of bills, collection and maintenance of subscribers information, preparation of required report and call centre activities.

4. Agrani Convergence Limited ('ACL') is 51% subsidiary of Dish TV. The main object of the company is retailing, merchandising and reselling of products and services related to convergence in the telecommunication, information technology and learning, media, entertainment and also for other related products and services

(B) Purpose of the Scheme

This Composite Scheme of Amalgamation and Arrangement is presented under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 for:

- 1 Demerger of the Non DTH Business of Dish TV India Limited into Integrated Subscriber Management Services Limited; and
- 2 Amalgamation of Agrani Satellite Services Limited with Integrated Subscriber Management Services Limited

This Scheme also provides for various other matters consequential or otherwise integrally connected with the above.

(C) Rationale of the Scheme

Demerger of non DTH Business from Dish TV to ISMSL will facilitate the Company to focus on its core DTH business and merger of ASSL with ISMSL will result in simplification of group structure and cost efficiency.

(D) Parts of the Scheme

The Scheme is divided into the following sections:

- (a) **PART A** deals with the Definitions and Share Capital;
- (b) **PART 2A** deals with the demerger of Non DTH Business of Dish TV India Limited into Integrated Subscriber Management Services Limited;
- (c) **PART 2B** deals with the merger of Agrani Satellite Services Limited with Integrated Subscriber Management Services Limited;
- (d) **PART 3** deals with the General Clauses, Terms and Conditions; and
- (e) **PART 4** deals with Other Terms and Conditions

PART A

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme (as defined hereinafter), unless inconsistent with the subject or context, the following expressions shall have the meanings respectively assigned to them:

- 1.1 **“Act”** means the Companies Act, 1956 and shall include any statutory modification, re-enactment or amendments thereof for the time being in force;
- 1.2 **“Appointed Date”** means the closing hour of 31st day of March, 2010 or such other date as may be approved by the High Court of Judicature at Delhi or any other appropriate authority;
- 1.3 **“ASSL”** or **“the Transferor Company”** means Agrani Satellite Services Limited, a company incorporated under the Act and having its registered office at Essel House, B-10, Lawrence Road, Industrial Area, Delhi – 110035;
- 1.4 **“Court”** or **“High Court”** means the High Court of Judicature at Delhi and shall include the National Company Law Tribunal, if applicable;
- 1.5 **“Dish TV”** or **“the Demerged Company”** means Dish TV India Limited, a company incorporated under the Act and having its registered office at Essel House, B-10, Lawrence Road, Industrial Area, Delhi – 110035;
- 1.6 **“Effective Date”** means the later of the dates on which the certified copy of the Order of High Court of Judicature at Delhi or any other appropriate authority sanctioning the Scheme, is filed with the Registrar of Companies, Delhi by ASSL, Dish TV and ISMSL;
- 1.7 **“ISMSL”** or **“the Transferee Company”** or **“the Resulting Company”** means Integrated Subscriber Management Services Limited, a company incorporated under the Act and having its registered office at Essel House, B-10, Lawrence Road, Industrial Area, Delhi – 110035;

1.8 **“Non- DTH Business”** means the businesses comprising of equity share capital in ASSL and share application money to the extent of pre-operative expenses of ASSL, Equity share capital in Agrani Convergence Limited, Fixed Assets and Capital Work-in-Progress and Security Deposit received pertaining to HITS facility including but not limited to the following assets, liabilities and employees as follows:

- all assets wherever situated, whether movable or immovable, leasehold or freehold, tangible or intangible, including all land, capital work in progress, building, plant & machinery, facilities and assets (including pre operative expenses) related to Non DTH Business, equipment, trademarks, trade names, brands, investments (including shares of ASSL and Agrani Convergence Limited) including any provisions made in relation thereto, IP rights, vehicles, furniture, fixtures, office equipment, computer installations, electrical appliances and accessories;
- all liabilities present, future and contingent pertaining to or relatable to the Non DTH Business;
- all rights and licenses, all assignments and grants thereof, all permits, registrations, quota rights, rights (including rights under any agreement, contracts, applications, letters of intent, or any other contracts), approvals, regulatory approvals, entitlements, cash balances, bank balances, bank accounts, receivables, loans and advances (including advances to foreign parties in relation to non DTH Business) including any provisions made in relation thereto, privileges, all other claims, rights and benefits, powers and facilities of every kind, nature and description whatsoever, inventory, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity, water and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Non DTH Business;

- all employees of Dish TV substantially engaged in the Non DTH Business as determined by the Board of Directors of Dish TV;
- all deposits and balances with Government, Semi-Government, local and other authorities and bodies, customers and other persons, earnest moneys and/ or security deposits paid or received by Dish TV, directly or indirectly in connection with or in relation to the Non DTH Business;
- all books, records, files, papers, directly or indirectly relating to the Non DTH Business; but shall not include any portion of the Remaining Business of Dish TV.

Explanation: Whether any particular asset, liability or reserve should be included as asset, liability or reserve of the Non DTH Business or otherwise shall be decided mutually by the Directors or any committee thereof of Dish TV and ISMSL;

- 1.9 **"Scheme"** or **"the Scheme"** or **"this Scheme"** means this Composite Scheme of Amalgamation and Arrangement in its present form or with any modification(s) made under Clause 20 of the Scheme as approved or directed by the High Court of Judicature at Delhi.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contract Regulation Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court of Judicature at Delhi or made as per Clause 20 of the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date.

3. SHARE CAPITAL

3.1 The authorized, issued, subscribed and paid-up share capital of Dish TV as on March 31, 2009 is as under:

Particulars	Amount (in Rupees)
Authorised Capital	
100,00,00,000 Equity shares of Re. 1/- each.	100,00,00,000
TOTAL	100,00,00,000
Issued, Subscribed and Paid-up Capital	
42,82,22,803 Equity shares of Re 1/- each fully paid up	42,82,22,803
51,81,49,592 Equity shares of Re 1/- each, paid up Re.0.50 per share	25,90,74,796
TOTAL	68,72,97,599

Subsequent to above Balance Sheet Date, the capital structure has changed as under:

Particulars	Amount (in Rupees)
Authorised Capital	
135,00,00,000 Equity shares of Re. 1/- each.	135,00,00,000
TOTAL	135,00,00,000
Issued and Subscribed Capital	
106,34,19,475 Equity shares of Re 1/- each	106,34,19,475
Paid-up Capital	
1060,140,439 Equity shares of Re 1/- each fully paid up	1060,140,439
2,300,654 Equity shares of Re 1/- each Re.0.75 paid up	1,725,490.50
978,382 Equity shares of Re 1/- each Re.0.50 paid up	489,191
TOTAL	1062,355,120.50

The equity shares of Dish TV are listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

- 3.2 The authorized, issued, subscribed and paid-up share capital of ASSL as on March 31, 2009 is as under:

Particulars	Amount (in Rupees)
Authorised Capital	
100,000,000 Equity Shares of Rs 10 each	1,000,000,000
TOTAL	1,000,000,000
Issued, Subscribed and Paid-up Capital	
94,401,004 Equity Shares of Rs 10 each fully paid-up	944,010,040
TOTAL	944,010,040

There has been no change in the capital structure of ASSL subsequent to March 31, 2009. The entire share capital of ASSL is held by Dish TV along with nominee shareholders.

- 3.3 The authorized, issued, subscribed and paid-up share capital of ISMSL as on March 31, 2009 is as under:

Particulars	Amount (in Rupees)
Authorised Capital	
50,000 Equity Shares of Rs 10 each	500,000
TOTAL	500,000
Issued, Subscribed and Paid-up Capital	
50,000 Equity Shares of Rs 10 each fully paid-up	500,000
TOTAL	500,000

There has been no change in the capital structure of ISMSL subsequent to March 31, 2009. The entire share capital of ISMSL is held by Dish TV along with nominee shareholders.

PART 2A

DEMERGER OF NON DTH BUSINESS OF DISH TV INDIA LIMITED INTO INTEGRATED SUBSCRIBER MANAGEMENT SERVICES LIMITED

4. TRANSFER AND VESTING OF UNDERTAKING

- 4.1 The Non DTH Business of Dish TV shall stand transferred to and vested in or deemed to be transferred to and vested in ISMSL in the following manner:
- 4.2 With effect from the Appointed Date, the whole of the undertaking and properties of the Non DTH Business, shall pursuant to the provisions contained in Sections 391 to 394 and all other applicable provisions, if any, of the Act and without any further act, deed, matter or thing, stand transferred to and vested in and / or be deemed to be transferred to and vested in ISMSL so as to vest in ISMSL all rights, title and interest pertaining to the Non DTH Business.
- 4.3 With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description of Dish TV pertaining to Non DTH Business shall also, under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to or be deemed to be transferred to ISMSL, so as to become from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of ISMSL 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 debts, liabilities, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause.
- 4.4 With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licenses, permissions or approvals or consents held by Dish TV required to carry on operations of Non DTH Business shall stand vested in or transferred to ISMSL without any further act or deed, and shall be appropriately mutated by the

statutory authorities concerned therewith in favour of ISMSL and the benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licenses, and consents shall vest in and become available to ISMSL as if they were originally obtained by ISMSL. In so far as the various incentives, subsidies, rehabilitation schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by Dish TV relating to the Non DTH Business, are concerned, the same shall vest with and be available to ISMSL on the same terms and conditions as applicable to Dish TV, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to ISMSL.

- 4.5 As the transfer of assets as above will take place between a parent company and a subsidiary company wherein the parent company is the beneficial owner of not less than 90 per cent of the issued share capital of the subsidiary company, such transfer shall be exempt from stamp duty laws of Delhi in terms of Notification dated 16th January, 1937.

5. CONSIDERATION

- 5.1 Upon this Scheme becoming effective and in consideration of the demerger of the Non DTH Business of Dish TV into ISMSL, ISMSL shall issue and allot 1,00,000 (One lakh) equity shares of Rs 10 each to Dish TV.
- 5.2 The equity shares to be issued and allotted in terms hereof will be subject to the Memorandum and Articles of Association of ISMSL and shall rank *pari passu* in all respects, including dividend, with the then existing equity shares of ISMSL.
- 5.3 ISMSL shall take necessary steps, if required, to increase or alter or re-classify, (if necessary), its authorized share capital suitably to enable it to issue and allot the equity shares under this Scheme.

5.4 The approval of this Scheme by the shareholders of ISMSL shall be deemed to be due compliance of the provisions of Section 81 (1A) and other relevant and applicable provisions of the Act for the issue and allotment of equity shares by ISMSL to Dish TV, as provided in this Scheme.

6. ACCOUNTING TREATMENT IN THE BOOKS OF ISMSL

Upon the Scheme becoming effective, ISMSL shall record the demerger of the Non DTH Business of Dish TV as follows:

- 6.1 ISMSL shall credit to its equity share capital account, the face value of equity shares issued as per clause 5.1 above.
- 6.2 ISMSL shall record the assets and liabilities pertaining to the Non DTH Business at their respective fair values.
- 6.3 The difference, being the excess of the fair value of assets of the Non DTH Business over the fair value of liabilities, over the face value of equity shares issued as per clause 5.1 above, shall be credited by ISMSL to its capital reserve account. The deficit, if any, shall be debited to its goodwill account.
- 6.4 If considered appropriate for the purpose of application of uniform accounting methods and policies between Dish TV and ISMSL, ISMSL may make suitable adjustments and reflect the effect thereof in the accumulated debit balance in the profit and loss account of ISMSL.

7. ACCOUNTING TREATMENT IN THE BOOKS OF DISH TV

- 7.1 Upon the Scheme becoming effective, the equity shares received by Dish TV pursuant to this Scheme shall be recorded by Dish TV at face value.
- 7.2 Dish TV shall reduce from its books, the book value of assets and liabilities alongwith relatable provisions, if any, demerged as part of the Non DTH Business to ISMSL,

pursuant to the Scheme with a corresponding debit / credit to the Business Restructuring Reserve account

- 7.3 The balance in the Business Restructuring Reserve account after adjusting for the face value of equity shares of ISMSL issued pursuant to this Scheme shall be adjusted against the balance lying in the general reserve account of Dish TV as on March 31, 2010.

PART 2B

MERGER OF AGRANI SATELLITE SERVICES LIMITED WITH INTEGRATED SUBSCRIBER MANAGEMENT SERVICES LIMITED

8. TRANSFER AND VESTING

- 8.1 Upon the Scheme becoming effective, and with effect from the Appointed Date, the entire business and whole of the undertaking of ASSL, including all its properties and assets of whatsoever nature whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to land and building (whether owned, leased, licensed), all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, tax credits, investments, reserves, provisions, funds, licenses, registrations, copyrights, any brand name, patents, trademarks and other rights and licenses in respect thereof, permits, quotas, approvals, actionable claims, all rights / title or interest in property(ies) by virtue of any court order / decree, contractual arrangement, allotment, grant, possession or otherwise, lease, tenancy rights, permissions, incentives, licenses including but not limited to export license, import license, industrial and other licenses, bids, tenders, municipal and other statutory permissions, approvals including but not limited to right to use and avail electricity connections, water connections, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, all records, files, papers, engineering and process information, computer programs, manuals, data, catalogues, quotations, sales and advertising materials, list of present and former customers and suppliers, customer credit information, other records whether in physical, electronic form in connection/ relating to ASSL and all other rights, title, interest, contracts, consent, approvals or powers of every kind, nature and descriptions whatsoever, situated belonging to or in the

possession of or granted in favour of or enjoyed by ASSL, shall under the provisions of Sections 391 to 394 of the Act and pursuant to the order of the High Court or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, be transferred to and vested in and/or deemed to be transferred to and vested in ISMSL.

8.2 Upon the Scheme becoming effective and with effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of ASSL as on the close of business on the date preceding the Appointed Date, whether or not provided in the books of ASSL, shall be deemed to be the debts, liabilities, duties and obligations of ISMSL 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 debts, liabilities, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause.

8.3 The transfer and vesting of the entire business and assets and liabilities as aforesaid of ASSL, shall be subject to the existing securities, charges and mortgages, if any, subsisting over or in respect of the property and assets or any part thereof of ASSL. Provided however, any reference in any security documents or arrangements (to which ASSL is a party) to the assets of ASSL offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to the assets pertaining to ASSL as are vested in ISMSL by virtue of the aforesaid clauses, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of ASSL or any of the assets of ISMSL.

Provided further that the securities, charges and mortgages (if any subsisting) over and in respect of the assets or any part thereof of ASSL shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charges

and mortgages shall not extend or be deemed to extend, to any of the assets of ASSL vested in ISMSL.

Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by ASSL which shall vest in ISMSL by virtue of the amalgamation of ASSL with ISMSL and ISMSL shall not be obliged to create any further or additional security therefore after the Scheme has become operative.

8.4 In respect of all the movable assets of ASSL and the assets which are otherwise capable of transfer by physical delivery or endorsement and delivery, including cash on hand (together with duly executed transfer forms or other documents as may be required), shall be so transferred to ISMSL and deemed to have been physically handed over by physical delivery or by endorsement and delivery, as the case may be, to ISMSL to the end and intent that the property and benefit therein passes to ISMSL with effect from the Appointed Date.

8.5 In respect of any intangible moveable assets of ASSL other than those mentioned in Clause 8.4 above, including actionable claims, sundry debtors, outstanding loans, advances recoverable in cash or kind or for value to be received and deposits with the Government, semi-Government, local and other authorities and bodies and customers, ASSL shall if so required by ISMSL, and ISMSL may, issue notices in such form as ISMSL may deem fit and proper stating that pursuant to the High Court having sanctioned this Scheme, the relevant debt, loan, advance or other asset, be paid or made good or held on account of ISMSL, as the person entitled thereto, to the end and intent that the right of ASSL to recover or realise the same stands transferred to ISMSL and that appropriate entries should be passed in their respective books to record the aforesaid changes.

8.6 Upon the Scheme becoming effective, with effect from the Appointed Date, any brands, copyrights, trademarks, statutory licenses, permissions, approvals, quotas or consents to carry on the operations and business of ASSL shall stand vested in or

transferred to ISMSL without any further act or deed and shall be appropriately mutated by the statutory authorities concerned in favour of ISMSL. The benefit of all brands, copyrights, trademarks, statutory and regulatory permissions, factory licenses, environmental approvals and consents, sales tax registrations, excise registrations, service tax registrations or other licenses and consents shall vest in and become available to ISMSL pursuant to this Scheme.

- 8.7 Pursuant to demerger of Non DTH Business of Dish TV to ISMSL, ISMSL shall hold entire equity share capital of ASSL thereby, making ASSL its 100% subsidiary. As on merger of ASSL with ISMSL, the transfer of assets as above will take place between a parent company and a subsidiary company wherein the parent company is the beneficial owner of not less than 90 per cent of the issued share capital of the subsidiary company, such transfer shall be exempt from stamp duty laws of Delhi in terms of Notification dated 16th January, 1937.

9. ACCOUNTING TREATMENT IN THE BOOKS OF ISMSL

- 9.1 On the Scheme becoming effective, ISMSL shall account for the merger in its books of accounts as under:
- (a) The investments in the equity share capital of ASSL, as will appear in the books of accounts of ISMSL pursuant to Part 2A of this Scheme, shall stand cancelled;
 - (b) Inter-company balances, if any, between ASSL and ISMSL shall stand cancelled;
 - (c) All the assets and liabilities recorded in the books of ASSL shall be transferred to and vested in ISMSL pursuant to the Scheme and shall be recorded by ISMSL at their respective fair market values;
 - (d) The difference in the net assets of ASSL transferred to and recorded by ISMSL, after making the adjustment as mentioned in sub-clauses (a) and (b) above, shall be adjusted to Goodwill/ Capital Reserve, as the case may be;

(e) If considered appropriate for the purpose of application of uniform accounting methods and policies between ASSL and ISMSL, ISMSL may make suitable adjustments and reflect the effect thereof in accumulated debit balance in the profit and loss account.

10. CONSIDERATION

10.1 Pursuant to Part 2A of the Scheme, ASSL shall become a wholly owned subsidiary of ISMSL. Since ISMSL is not permitted to issue shares to itself under the provisions of the Act, no new shares shall be issued or allotted by ISMSL, as consideration of amalgamation of ASSL in terms of Clause 8 above.

PART 3

GENERAL CLAUSES, TERMS AND CONDITIONS

11. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

11.1 Upon the filing of the Scheme with the High Court and up to and including the Effective Date:

- (a) Dish TV in respect of Non DTH Business and ASSL shall carry on and deemed to have carried on their respective businesses and activities and shall stand possessed of their respective businesses and undertakings, in trust for ISMSL and shall account for the same to ISMSL.
- (b) All the income or profits accruing or arising to Dish TV in respect of Non DTH Business and ASSL and all costs, charges, expenses or losses incurred by Dish TV in respect of Non DTH Business and ASSL shall for all purposes be treated as the income, profits, costs, charges, expenses and losses, as the case may be, of ISMSL.
- (c) Dish TV in respect of Non DTH Business and ASSL shall carry on their respective businesses and activities with reasonable diligence and business prudence and shall not alter or diversify its respective businesses nor venture into any new businesses, nor alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business without the prior consent of ISMSL or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the respective Boards of Directors of Dish TV, ASSL and ISMSL.
- (d) ISMSL shall be entitled, pending the sanction of the Scheme, to apply to the Central/State Government(s) and all other agencies, departments and authorities concerned as are necessary under any law for such consents,

approvals and sanctions which ISMSL may require to carry on the business of Dish TV in respect of Non DTH Business and ASSL.

12. LEGAL PROCEEDINGS

12.1 If any suit, appeal or other proceeding of whatever nature by or against Dish TV in respect of Non DTH Business and ASSL is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the amalgamation or demerger or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against ISMSL, as the case may be, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against Dish TV in respect of Non DTH Business and ASSL as if this Scheme had not been made.

13. CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS ETC.

13.1 With effect from the Appointed Date and upon the Scheme becoming effective, all contracts, deeds, bonds, agreements, schemes, arrangements, insurance policies, indemnities, guarantees and other instruments of whatsoever nature in relation to Dish TV in respect of Non DTH Business and ASSL, or to the benefit of which Dish TV in respect of Non DTH Business and ASSL may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on or against or in favour of ISMSL and may be enforced as fully and effectually as if, instead of Dish TV in respect of Non DTH Business and ASSL, ISMSL had been a party or beneficiary or obligee thereto.

13.2 With effect from the Appointed Date and upon the Scheme becoming effective, all rights and licenses relating to trademarks, know-how, technical know-how, trade names, descriptions, trading style, labels, label designs, logos, emblems, and items of such nature, colour schemes, utility models, holograms, bar codes, designs,

patents, copyrights, privileges and any rights, title or interest in intellectual property rights in relation to Dish TV in respect of Non DTH Business and ASSL to which Dish TV and ASSL are a party respectively or to the benefit of which Dish TV and ASSL may be entitled/ eligible respectively shall be in full force and effect on, or against, or in favour of, ISMSL as the case may be, and may be enforced as fully and effectually as if, instead of the Dish TV and ASSL, ISMSL had been a party or beneficiary or obligee thereto.

13.3 ISMSL shall be entitled to the benefit of all insurance policies which have been issued in respect of Dish TV in respect of Non DTH Business and ASSL and the name of ISMSL shall be substituted as "Insured" in the policies as if ISMSL was initially a party.

13.4 With effect from the Appointed Date and upon the Scheme becoming effective, all permits including operating permits, quotas, rights, entitlements, licenses including those relating to tenancies, trademarks, patents, copy rights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Transferor Company, and all rights relating thereto 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 and remain in full force and effect in favour of or against the Transferee Company, and may be enforced fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a beneficiary or obligee thereto.

13.5 With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licenses, permissions, approvals, exemption schemes, or consents required to carry on operations of Dish TV in respect of Non DTH Business and ASSL, respectively, shall stand vested in or transferred to ISMSL without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of ISMSL. The benefit of all statutory and regulatory permissions,

licenses, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of Dish TV in respect of Non DTH Business and ASSL shall vest in and become available to ISMSL pursuant to the Scheme.

13.6 ISMSL, at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to Non DTH Business and ASSL to which Dish TV and ASSL are a party respectively in order to give formal effect to the above provisions. ISMSL shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of Dish TV and ASSL and to carry out or perform all such formalities or compliances, referred to above, on behalf of Dish TV and ASSL.

14. SAVING OF CONCLUDED TRANSACTIONS

14.1 The transfer of properties and liabilities under clauses 4 and 8 above and the continuance of proceedings by or against ISMSL under clause 12 above shall not affect any transaction or proceedings concluded by Dish TV in respect of Non DTH Business and ASSL with the prior written consent of ISMSL, on or after the Appointed Date till the Effective Date, to the end and intent that ISMSL accepts and adopts all acts, deeds and things done and executed by Dish TV in respect of Non DTH Business and ASSL in respect thereto as done and executed on behalf of itself.

15. STAFF, WORKMEN & EMPLOYEES

15.1 On the Scheme becoming operative, all staff, workmen and employees of Dish TV in respect of Non DTH Business and ASSL, if any, in service on the Effective Date shall be deemed to have become staff, workmen and employees of ISMSL without any break in their service and on the basis of continuity of service, and the terms and

conditions of their employment with ISMSL shall not be less favourable than those applicable to them with reference to Dish TV in respect of Non DTH Business and ASSL respectively on the Effective Date.

15.2 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of the staff, workmen and employees of Dish TV in respect of Non DTH Business and ASSL shall become the trusts/ funds of ISMSL for all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of Dish TV in respect of Non DTH Business and ASSL in relation to such Fund or Funds shall become those of ISMSL. It is clarified that the services of the staff, workmen and employees of Dish TV in respect of Non DTH Business and ASSL will be treated as having been continuous for the purpose of the said Fund or Funds.

PART 4

OTHER TERMS AND CONDITIONS

16. APPLICATION TO HIGH COURT

- 16.1 Dish TV, ASSL and ISMSL shall with all reasonable dispatch, make all necessary applications under Sections 391 to 394 and other applicable provisions of the Act to the High Court for seeking approval of the Scheme.
- 16.2 ASSL shall with all reasonable dispatch, make necessary application under Sections 391 to 394 and other applicable provisions of the Act to the High Court for dissolution without being wound-up.

17. COMBINATION OF AUTHORISED CAPITAL

- 17.1 Upon sanction of this Scheme, the authorised share capital of ISMSL shall automatically stand increased without any further act, instrument or deed including payment of stamp duty and fees payable to Registrar of Companies, by the authorised share capital of ASSL as on the Effective Date.
- 17.2 The Memorandum of Association and Articles of Association of ISMSL (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, pursuant to Sections 16, 31, 94 and 394 and applicable provisions of the Act, as the case may be and for this purpose the stamp duty and fees paid on the authorized capital of ASSL shall be utilized and applied to the increased authorized share capital of ISMSL and no payment of any extra stamp duty and/or fee shall be required by ISMSL for increase in the authorised share capital to that extent.

18. WINDING UP

- 18.1 On the Scheme becoming effective, ASSL shall stand dissolved without being wound up.

19. CONDITIONALITY OF THE SCHEME

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

- (a) The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.
- (b) The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of Dish TV, ASSL and ISMSL, as the case may be, and as directed by the High Court of Judicature at Delhi.
- (c) The Scheme being sanctioned by the High Court of Judicature at Delhi or any other authority under Sections 391 to 394 and other applicable provisions of the Act.
- (d) The certified copies of the Orders of High Court of Judicature at Delhi sanctioning the Scheme being filed with the Registrar of Companies, Delhi by Dish TV, ASSL and ISMSL respectively.

20. MODIFICATION OR AMENDMENTS TO THE SCHEME

20.1 Dish TV, ASSL and ISMSL by their respective Board of Directors or any duly authorised committee may make or consent to any modifications or amendments to the Scheme or to any conditions or limitations that the Court or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them and solve all difficulties that may arise for carrying out the Scheme and do all acts, deeds and things necessary for putting the Scheme into effect.

21. EFFECT OF NON-RECEIPT OF APPROVALS

21.1 In the event of any of the said sanctions and approvals referred to in the preceding clause not being obtained and/ or the Scheme not being sanctioned by the High

Court or such other competent authority and / or the Order not being passed as aforesaid before March 31, 2011 or such other date as may be agreed by the respective Board of Directors of Dish TV, ASSL and ISMSL, the Scheme shall become null and void, and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

22. COSTS, CHARGES AND EXPENSES

22.1 All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed), incurred in carrying out and implementing this Scheme and matters incidentals thereto, shall be borne by Dish TV.