

INDIA NON JUDICIAL



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Government of National Capital Territory of Delhi

₹100

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Certificate No. : IN-DL90571842996170W
Certificate Issued Date : 22-Nov-2024 03:49 PM
Account Reference : IMPACC (IV)/ dl942203/ DELHI/ DL-DLH
Unique Doc. Reference : SUBIN-DL94220329051494300342W
Purchased by : BHARAT SANCHAR NIGAM LIMITED
Description of Document : Article 5 General Agreement
Property Description : Not Applicable
Consideration Price (Rs.) : 0
(Zero)
First Party : BHARAT SANCHAR NIGAM LIMITED
Second Party : MAHANAGAR TELEPHONE NIGAM LIMITED
Stamp Duty Paid By : BHARAT SANCHAR NIGAM LIMITED
Stamp Duty Amount(Rs.) : 100
(One Hundred only)

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₹100

Please write or type below this line

IN-DL90571842996170W

SERVICES AGREEMENT

This Services Agreement ("Agreement") is executed at New Delhi on 22nd day of November, 2024, by and between:

Statutory Alert:

1. The authenticity of this Stamp certificate should be verified at 'www.shcilestamp.com' or using e-Stamp Mobile App of Stock Holding. Any discrepancy in the details on this Certificate and as available on the website / Mobile App renders it invalid.
2. The onus of checking the legitimacy is on the users of the certificate.
3. In case of any discrepancy please inform the Competent Authority.

BHARAT SANCHAR NIGAM LIMITED BHARAT SANCHAR NIGAM LIMITED BHARAT SANCHAR NIGAM LIMITED BHARAT SANCHAR NIGAM LIMITED BHARAT SANCHAR NIGAM LIMITED

PREAMBLE

Bharat Sanchar Nigam Limited, a Public Sector Undertaking incorporated under the Companies Act, 1956, and having its registered office and corporate office at Bharat Sanchar Bhawan, Harish Chander Mathur Lane, Janpath, New Delhi-110001 (hereinafter referred to as "**BSNL**", which expression shall, unless repugnant to the context or meaning thereof, mean and include its successors and permitted assigns);

AND

Mahanagar Telephone Nigam Limited, a Government of India Enterprise, and having its registered office at Mahanagar Doorsanchar Sadan, 9, CGO Complex, Lodhi Road New Delhi 110003 (hereinafter referred to as "**MTNL**", which expression shall, unless repugnant to the context or meaning thereof, mean and include its successors and permitted assigns);

This mutually binding Agreement shall come into effect from 01st January 2025 between the Parties and shall remain valid for a period of Ten (10) years unless it is revoked earlier by giving a notice of Six (06) months or extended by mutual consent between the Parties.

BSNL and **MTNL** shall hereinafter be collectively referred as "**Parties**" and individually as "**Party**".

WHEREAS:

- A. BSNL is in the business of providing telecom services and currently holds the Unified License bearing no. 20-1206/2020-AS-I ("**BSNL Telecom License**") with Access Service, National Long-Distance Service, International Long-Distance Service, Public Mobile Radio Trunking Service, Very Small Aperture Terminal Closed User Group service authorizations; for national level service, along with the INSAT MSS-R service license; and the Infrastructure Provider-I registration;
- B. MTNL is engaged in the business of providing telecom services, and currently holds the Unified License bearing no. 821-43/2013-DS with Access Service authorization for the Delhi and Mumbai circles; and the Infrastructure Provider-I registration ("**MTNL Telecom License**");



- C. The Union Cabinet in 2022 has approved an Alternate Mechanism having delegated powers of Union Cabinet for restructuring, transfer of operational activities of MTNL to BSNL, debt reduction and asset monetization of MTNL". The MTNL's revenue and EBITDA has been declining over several years and it has consequently defaulted in the repayment of its debts and liabilities. The Alternate Mechanism has therefore approved that BSNL will execute a suitable arrangement between MTNL and BSNL, agreeing in principle to run MTNL's telecom services by undertaking maintenance and running activities of MTNL completely in EBITDA neutral basis including meeting the HR cost.
- D. The intent and purpose of this Agreement is for BSNL and MTNL to give effect to the approval made by Alternate Mechanism having the delegated power of the Union Cabinet.
- E. This agreement is in supersession of any existing MOU/Agreements/orders on running of MTNL Telecom Services by BSNL.
- F. Furthermore, Government of India has allocated 4G spectrum in the telecom circles of Delhi and Mumbai to BSNL with BSNL presently in the process of establishing and setting up its 4G infrastructure in these aforementioned are as signed between the Parties;
- G. This Agreement can be amended or modified by mutual consent of both the Parties.
- NOW THEREFORE**, in consideration of the mutual covenants, undertakings and conditions set forth below, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows: -

Article 1

- a. BSNL shall be responsible to run MTNL's telecom services by undertaking maintenance and running activities of MTNL completely.
- b. BSNL shall be responsible for rollout of 4G & 5G telecom services in Delhi and Mumbai circles also for which it will make its own capital expenditure MTNL agrees and understands that 4G & 5G services in the Delhi and Mumbai telecom circles will be launched and deployed by BSNL under the BSNL Telecom License and brand name and MTNL shall provide assistance in ensuring a smooth roll out of such 4G & 5G services in Delhi and Mumbai circles. Also, MTNL will not rollout 4G & 5G network in Delhi and Mumbai.

- c. BSNL shall review the capital expenditure requirements from time to time and will also fund the same according to the requirements for its telecom operations and services in Delhi and Mumbai telecom circles.
- d. The existing assets of MTNL shall continue to be owned by MTNL.
- e. All capital expenditure and the assets created will be owned by BSNL.
- f. BSNL shall use MTNL network infrastructure, on as-is-where basis including existing towers, power plant, cables, and equipment during the period of this agreement;
- g. BSNL shall form a team of personnel with the necessary qualifications to provide the services contemplated under this Agreement, in the telecom operational areas of Mumbai and Delhi. The said personnel can be deployed in BSNL/MTNL on need basis.
- h. Notwithstanding anything contained in the Agreement, under no circumstances shall the personnel of BSNL deployed for providing the services be deemed to be employed by MTNL. The personnel shall at all times remain under the employment of BSNL.
- i. BSNL, at its own discretion, can choose to select MTNL's personnel if required, on deputation to BSNL, with the consent of MTNL.
- j. MTNL will ensure undeterred access to its exchange areas to facilitate the seamless provision of services by BSNL. MTNL shall also provide any necessary support to BSNL as demanded to ensure the effective execution of this Agreement.
- k. The core operational assets of MTNL such as telephone exchanges, power plant, batteries, various types of cables, software, hardware will be available for use by BSNL.

Article 2

- a. BSNL will invest capital (CAPEX) and other resources (OPEX) for the smooth running of the entire operation in Delhi and Mumbai. The CAPEX and related OPEX will be part of BSNL Balance sheet and EBITDA, and OPEX for MTNL assets will be part of MTNL EBTIDA.
- b. All accruals in MTNL from all sources will be used for the maintenance of MTNL assets, including telephone exchanges, wages of MTNL employees and other



infrastructure.

- c. Any maintenance costs incurred by BSNL on MTNL assets will be reimbursed by MTNL to BSNL, in a quarterly / monthly basis.
- d. The gross revenue of MTNL shall first go towards settling its operation and maintenance charges, including human resource cost with an aim to at least maintain the EBITDA neutrality of MTNL.
- e. In case at any point in time, the EBTIDA becomes negative, then BSNL shall step in with its own funds, towards maintenance of the assets, the funds will be extended by BSNL as Inter-Corporate Debt (ICD).
- f. In case EBITDA is positive (non-zero) then it shall be used to settle the ICD of BSNL to ensure EBITDA neutral operation of MTNL and if any further funds are available then they can be used to settle other liabilities /outstanding debts.
- g. MTNL and BSNL shall each designate a representative to act on its behalf in overseeing the performance of this Agreement. The respective designated representatives may be changed upon a written notice to the other Party.
- h. All accounts of receipt and payments between MTNL and BSNL shall be maintained by both parties.
- i. BSNL shall have the right to audit the financial records and statements of MTNL for the limited purpose of verifying the accuracy and correctness of payments under this Agreement.

Article 3

(a) Representations and Warranties

Each Party represents and warrants that:

- i. they have full power, rights, capacity and authority to execute, deliver and perform this Agreement and it has taken all necessary action (corporate, statutory or otherwise) to execute, deliver, perform and authorize the execution, delivery and performance of this Agreement and that it is fully empowered to enter into and execute this Agreement, as well as perform all its obligations hereunder;
- ii. this Agreement is valid and binding on the Parties hereto, enforceable in accordance with its terms;
- iii. neither the making of this Agreement, nor compliance with its terms will be in

- conflict with or result in the breach of or constitute a default or require any consent under Applicable Laws;
- iv. there is no litigation pending or threatened against it which is likely to adversely affect the validity and/or enforceability of this Agreement or the performance of its obligations hereunder;
 - v. they have obtained all necessary and valid licenses and all other approvals, consents, permits, authorizations (including any consents, approvals required under the MTNL Telecom License and BSNL Telecom License) for the purposes of the transactions contemplated in this Agreement.

(b) Assignment

Neither Party shall assign any rights or obligations under this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld, delayed or conditioned.

(c) Confidentiality

- i. For the purpose of this Agreement, "**Confidential Information**" with respect to a Party, is all non-public written and oral proprietary information communicated to the other Party during the term and in connection with this Agreement, that (i) if it is in tangible form, it is clearly marked as proprietary when disclosed to the receiving Party; or (ii) if not in tangible form, its proprietary nature is announced, and it is reduced to writing and furnished to the receiving Party within thirty (30) days of the initial disclosure, and including (A) with respect to each Party, subscriber information, costing, pricing, technology, techniques, processes, methodologies, and other proprietary information; and (B) with respect to each Party, the terms of this Agreement (but not with respect to the existence of this Agreement).
- ii. Either Party may disclose or make available to the other Party, Confidential Information in connection with the activities contemplated hereunder. Each Party agrees that during the Term of this Agreement and thereafter for a period of 3 (three) years, (a) it shall provide strict care and diligence to avoid disclosure or unauthorized use of the Confidential Information in any manner whatsoever; (b) it will use Confidential Information solely for the purposes of this Agreement; and (c) it shall not, in any manner, disclose Confidential Information belonging to the other Party to any third party (other than (i) its Affiliates, employees and/or consultants reasonably requiring such Confidential Information for purposes of this Agreement

and who are bound by obligations of strict nondisclosure and limited use at least as stringent as those contained herein, (ii) the government or regulatory authorities, in pursuance to obtain and maintain all governmental and other licenses, waivers, consents, registrations, permissions and approvals required for providing the Services) without the express prior written consent of the disclosing Party, which consent shall be given at the sole discretion of the disclosing Party. Each receiving Party will promptly return, where possible, or destroy upon reasonable written request of the disclosing Party any Confidential Information reduced into tangible form of the disclosing Party and the receiving Party shall promptly give the disclosing Party notice in writing of such destruction.

(d) Dispute Resolution

- i. Any dispute arising between the Parties shall be settled by the Parties through a process of mediation, with Secretary (Telecom) or his nominee as the mediator. The decision of the DoT shall be final and binding on both the Parties.
- ii. Notwithstanding any dispute under this Agreement and /or pendency of any proceedings, the Parties shall continue to perform their obligations under this Agreement including payment of any and all undisputed payments under the Agreement.

(e) Termination

- a. Either Party may terminate this Agreement for convenience without assigning any reason by giving 6 (six) months' prior notice of termination.
- b. Either Party may terminate this Agreement on the occurrence of one of the following events: (a) forthwith by notice if the other Party has committed a material breach of the terms of this Agreement which it fails to remedy within 30 (thirty) days of having been notified of such breach; or (b) if the other Party has a receiver or an administrative receiver appointed over it or over any part of its undertaking or assets or passes a resolution for winding up (other than for the purpose of a bona fide scheme of solvent amalgamation or reconstruction) or a court of competent jurisdiction makes an order to that effect; or (c) if the other Party becomes subject to an administration order or if it enters into any voluntary arrangement with its creditors; or (d) the other Party files an application to the liquidator; or (e) fails to comply with the Applicable Law; (f) any representation or warranty of provided by such Party



herein is found to be materially false or such Party is at any time hereafter found to be in breach thereof; (g) the other Party fails to adhere to its confidentiality obligations under this Agreement; (h) either Party repudiates this Agreement or otherwise takes any action or evidences or conveys an intention notto be bound by the Agreement.

(f) Governing Law

This Agreement shall be governed by and construed in accordance with the laws of India. Subject to the provisions of Clause (e) of Article 3, the courts in Delhi, India shall have exclusive jurisdiction in respect of any matter arising in connection with this Agreement.

(g) Notices

Any notice or communication with reference to this Agreement, unless otherwise specified herein, shall be deemed to be validly sent if dispatched by email / courier / registered post acknowledgment due to the other Party at the following addresses:

If to BSNL

Attn: J.P. CHOWDHARY
Designation: Company Secretary & GM (Legal)
Address: 2nd Floor, Bharat Sanchar Bhawan, BSNL Corporate Office
Janpath, New Delhi-110001
Email: jp_chowdhary@bsnl.co.in

If to MTNL

Attn: Ratan Mani Sumit
Designation: Company Secretary
Address: MTNL Corporate Office, Mahanagar Doorsanchar SadanDelhi-110003
Email: mtnlcso@bol.net.in

Notices shall be deemed duly given (a) when delivered by hand, (b) 3 (three) days after being given to an express courier of repute, (c) when sent by confirmed facsimile; (d) when sent by email within 24 (twenty four) hours of the email being delivered; or (e) 5 (five) days after the date sent by certified or registered mail, postage prepaid, return receipt requested.

Either Party may by a similar written notice to the other Party change its address aforesaid.

(h) **Miscellaneous**

i. **Liability**

Neither Party shall be liable to the other for any special, incidental, consequential, indirect, exemplary, or punitive damages of any kind whatsoever (including without limitation loss of profits, revenues or savings, loss of savings, loss of data, loss of business opportunities) arising out of or in connection with this Agreement, regardless of whether the concerned Party has been informed of the possibility of such damages.

ii. **Amendments**

This Agreement shall not be modified, amended or waived orally but only through a document in writing signed by the authorized representatives of the Parties.

iii. **Entire Agreement**

The Agreement constitute the entire agreement and understanding of the Parties hereto, with respect to the subject matter herein and supersedes and terminates all prior understandings and/or agreements, both verbal and/or written

iv. **Severability**

The various provisions of this Agreement are severable and if any provision is found by the Parties hereto or is held to be invalid or unenforceable by any court of competent jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability of any of its other provisions.

v. **Survival**

Termination of this Agreement for any reason shall not release any Party hereto in respect of any act or omission prior to such termination, nor shall any such termination hereof affect in any way the survival of any right, duty or obligation of any such Party hereto which is expressly stated elsewhere in this Agreement or by necessary implication should operate to survive termination hereof including without limitation, the provisions relating to confidentiality.



IN WITNESS WHEREOF, the Parties have executed this Agreement through their duly authorized officer as of date set forth in the 'Preamble' to this Agreement

For Bharat Sanchar Nigam Limited



(जोगिन्दर पाल चौधरी)
(JOGINDER PAL CHOWDHARY)
कम्पनी सचिव एवं महाप्रबंधक (विधि)
COMPANY SECRETARY (LEGAL)
भारत संचार निगम लि. निगमित कार्यालय, नई दिल्ली
B.S.N.L. Corporate Office, New Delhi

Name:

Designation: Company Secretary & GM (Legal)
BSNLCO

WITNESS

In the presence of :

Name: S.K. Bhardwaj

Designation: PGM (PF)

(शैलेन्द्र कुमार भारद्वाज)
(SHAIENDRA KUMAR BHARDWAJ)
प्रधान महाप्रबंधक / P.G.M (PF & GP)
भारत संचार निगम लि., निगमित कार्यालय, नई दिल्ली,
B.S.N.L. Corporate Office, New Delhi,

For Mahanagar Telephone Nigam Limited



Name :

Designation: Company Secretary, M.T.N.L.

WITNESS

In the presence of :

Name:

Designation:

रतन मनी सुमित
RATAN MANI SUMIT
कम्पनी सचिव / Company Secretary
भारत संचार निगम लि. निगमित कार्यालय, नई दिल्ली
Mahanagar Doorsanchar Sadan / Mahanagar Doorsanchar Sadan
9, सी.जी.ओ. कॉम्प्लेक्स, नई दिल्ली-3 / C.G.O. Complex, Lodhi Road, New Delhi-3

मुकेश कुमार / **MUKESH KUMAR**
महाप्रबंधक तकनीकी योजना / General Manager (Tech. & Plg.)
महानगर दूर संचार निगम कार्यालय / M.T.N.L. Corporate Office
महानगर दूर संचार सदन / Mahanagar Doorsanchar Sadan
9, सी.जी.ओ. कॉम्प्लेक्स लोधी रोड नई दिल्ली-110003
9, C.G.O. Complex Lodhi Road, New Delhi-110003