



20 March 2017

**National Stock Exchange of India Limited**  
"Exchange Plaza"  
Bandra – Kurla Complex  
Bandra (E)  
Mumbai 400 051

**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai 400 001

Dear Sirs,

**Sub: Disclosure under Regulation 30 of SEBI (LODR) Regulations, 2015**

**Ref: Scrip Code: BSE: 500440 :: NSE: HINDALCO**

The Company holds 6.34% and is classified as a promoter, of Idea Cellular Limited (**Idea**), a public listed company engaged in the provision of mobile telecommunication services.

The board of Idea has today approved the amalgamation of Vodafone India Limited (**VIL**) and its wholly owned subsidiary Vodafone Mobile Services Limited (**VMSL**) with the Idea (**Proposed Merger**) subject to the receipt of necessary approvals of shareholders, creditors, SEBI, Stock Exchanges, the Competition Commission of India, the Department of Telecommunications (**DoT**), the Foreign Investment Promotion Board, the Reserve Bank of India and other governmental authorities and third parties (as may be required). The entities forming part of the Proposed Merger are engaged in the business of cellular mobile telecommunication services pursuant to licences granted to them by the Department of Telecommunications, Government of India.

Upon the amalgamation becoming effective, the entire business of VIL and VMSL (excluding VIL's investment in Indus Towers Limited, its international network assets and information technology platforms) will vest in Idea.

The shareholders of VIL (**Vodafone**) will own 45.1% of Idea after transferring a stake of ~4.9% to some or all of the existing promoters of Idea and / or their affiliates (together, **Promoters of Idea**) for INR 38.74 billion in cash concurrent with the completion of the amalgamation. The Promoters of Idea will hold 26% of Idea and the balance 28.9% will be held by the public.

In connection with the Proposed Merger, the Board of the Company has approved the execution of an Implementation Agreement amongst Idea and the Promoters of Idea, VIL, VMSL, Vodafone and Vodafone International Holdings BV.

The Implementation Agreement sets out in detail the terms and conditions on which the proposed amalgamation would be undertaken, the representations and warranties and indemnities being given by each party, etc. The agreement contemplates the completion of the proposed amalgamation within a period of 24 months.

In the event Idea fails to meet some of its indemnity obligations under the Implementation Agreement, the Promoters of Idea will be jointly and severally liable to make the relevant payments to the promoters of Vodafone.

In addition to the Implementation Agreement, the Board of the Company has approved the execution of a Shareholders' Agreement amongst Idea, Promoters of Idea, Vodafone and Vodafone International Holdings BV which will be effective only upon the amalgamation becoming effective.

**Hindalco Industries Limited**

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Corporate ID No.: L27020MH1958PLC011238



The significant terms of the Shareholders' Agreement are:

- a. Idea shall have 12 directors of which Promoters of Idea and Vodafone have the right to nominate 3 directors each and the remaining 6 directors will be independent directors;
- b. The Promoters of Idea have the sole right to appoint the Chairman. The appointment of the Chief Executive Officer and the Chief Operation Officer will require the approval of both the Promoters of Idea and Vodafone. Vodafone has the right to appoint the Chief Financial Officer of Idea;
- c. Certain critical matters of Idea such as the issue of shares otherwise than on a rights basis, consolidation, subdivision or reclassification of share capital, liquidation, amendments to the constitutional documents, entry into related party transactions, change to the name or key brands or branding strategy of Idea, etc. are subject to the affirmative consent of each of the Promoters of Idea and Vodafone; and
- d. The Promoters of Idea have the right but not the obligation to acquire up to a 9.5% additional stake from Vodafone under an agreed mechanism with a view to equalising the shareholdings over time. This right may be exercised by all of or any of the members of the Promoters of Idea. If Vodafone and the Promoters of Idea do not have equal shareholding by the expiry of the 4<sup>th</sup> year from completion of the amalgamation, Vodafone is obliged to reduce its holding in order to equalise its ownership with that of the Promoters of Idea over the following 5 year period. Until equalisation is achieved, the additional shares held by Vodafone will be restricted and votes will be exercised jointly under the terms of the Shareholders' Agreement.

Neither the entry into the Implementation Agreement nor the entry into the Shareholders' Agreement is a related party transaction.

The above is for information and dissemination to the members.

Yours faithfully,

For Hindalco Industries Limited



**Anil Malik**  
**President & Company Secretary**