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BHARAT SANCHAR NIGAM LIMITED
(A Govt. of India Enterprise)

AGREEMENT WITH
KRISHNA TELENET PVT. LTD.
FOR BUNDLING OF
BSNL'S MOBILE SERVICES WITH
KRISHNA TELENET PVT. LTD.'S DATA CARDS.

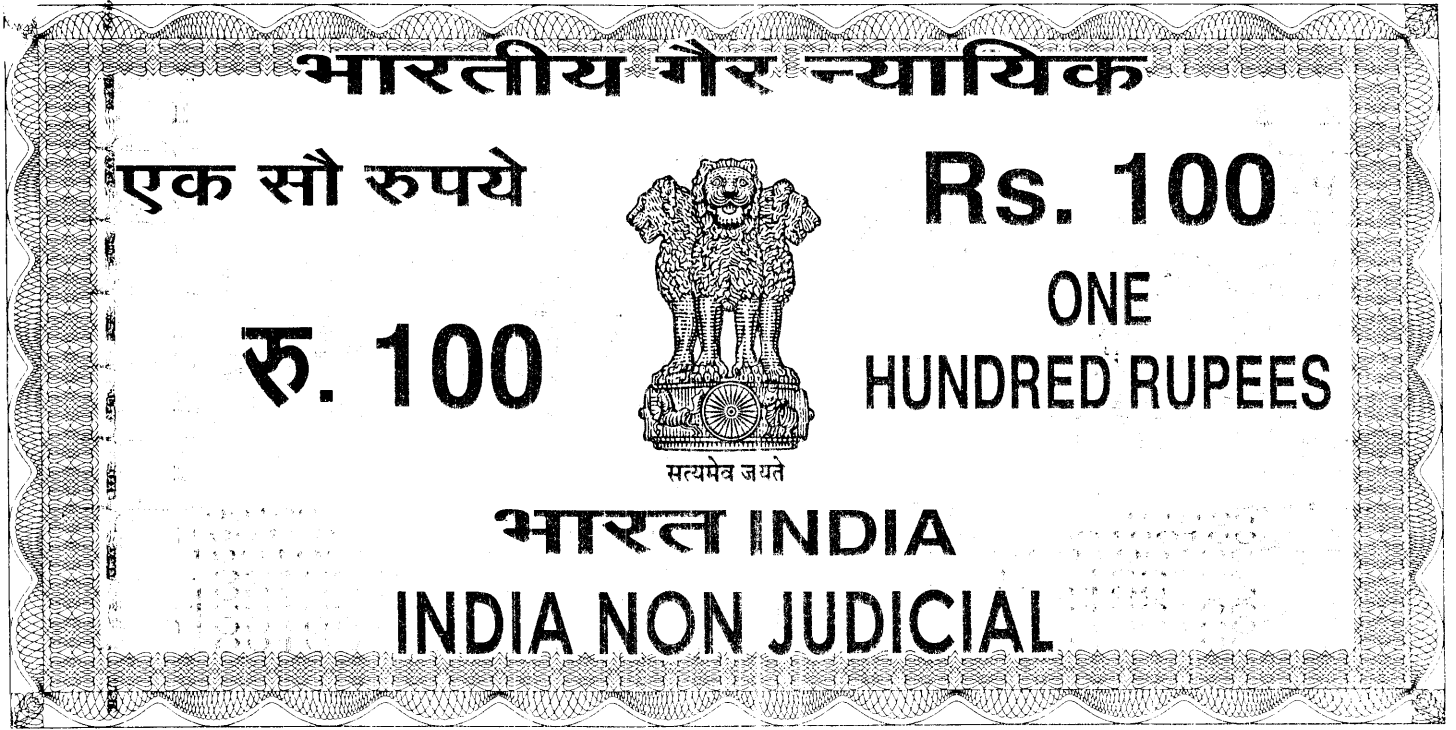
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भारत संचार निगम लि.
ANM, 101, Connaught Place
New Delhi-110028
Director General (Mobile Services)
भारत संचार निगम लि., 101, कनॉट प्लेस
नई दिल्ली-110028

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AGREEMENT WITH KRISHNA TELENET PVT. LTD. FOR BUNDLING OF BSNL'S MOBILE CONNECTION WITH KRISHNA TELENET PVT. LTD. GSM DATA CARDS

This agreement is signed on the 27th day of June 2011, by and between BHARAT SANCHAR NIGAM LIMITED, a company registered under the Companies Act 1956 having its Registered and Corporate office at Bharat Sanchar Bhawan, Harish Chandra Mathur Lane, Janpath, New Delhi - 110001 acting through Shri Ashutosh Gupta, Addl.GM(PD-CM) (hereinafter called BSNL which expression shall, unless repugnant to the context, include its successors in business, administrators, liquidators and assigns or legal representatives) of the FIRST PARTY

AND

M/s KRISHNA TELENET PVT. LTD., a company registered under the Companies Act 1956, having its registered office at E-15/115, Sector-8, Rohini, New Delhi. Head office at SCO-35, HSIIDC Commercial Complex, Kundli, Sonapat, Haryana 131028, acting through Lalit Kumar the authorized signatory (hereinafter called KRISHNA TELENET PVT. LTD. which expression shall, unless repugnant to the context, include its successors in business, administrators, liquidators and assigns or legal representatives) of the SECOND PARTY.

WHEREAS

1. BSNL is engaged in the business of providing telecom services throughout the country except the metro districts of Delhi and Mumbai.

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भारत संचार निगम लि.
A-15/115, रोहिणी, नई दिल्ली
जनसंचार विभाग, संचार निगम लि.
Dr. General Manager (PD-CM)

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2. KRISHNA TELENET PVT. LTD. is engaged in the business of manufacturing GSM Data cards, import, distribution and sale of these Data cards and various mobile communication products and accessories.
3. BSNL and KRISHNA TELENET PVT. LTD. are desirous to establish an arrangement under which the parties shall work on terms set out herein for the benefit of both the parties in developing a bundled devices solution, which combines data cards and mobile connection. This arrangement is expected to enhance value to the Mobile customers of BSNL and GSM data card customers of KRISHNA TELENET PVT. LTD. This arrangement is also expected to increase overall demand of Mobile connections as well as GSM mobile data card.

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In consideration of the due observance & performance of all the terms and conditions mentioned in this agreement the Part I, II & III attached hereto & forming part of this agreement, BSNL and the KRISHNA TELENET PVT. LTD. agree to sign agreement on non-exclusive basis for bundling of BSNL Mobile connection and GSM data cards manufactured or marketed by KRISHNA TELENET PVT. LTD. for the benefit of Mobile customers of BSNL and KRISHNA TELENET PVT. LTD. as per conditions contained in various parts & Annexure attached hereto.
2. KRISHNA TELENET PVT. LTD. and BSNL hereby agrees and unequivocally undertakes to fully comply with all terms and conditions stipulated in agreement along with Part I to III attached hereto without any deviation or reservations of any kind, unless mutually agreed between the parties at any given time. The details of the scheme may be changed from time to time on mutually agreed basis, based on market condition.
3. BSNL reserves the right to provide the GSM data cards on its own or to enter into Agreement with other GSM data cards vendors/manufacturers for bundling of GSM data cards of any other vendor/manufacturer with Mobile connection of BSNL in future without any restriction of number of data cards vendors/manufactures.
4. The laws of land as promulgated/modified/amended or replaced from time to time shall govern this Agreement.
5. The KRISHNA TELENET PVT. LTD. shall indemnify BSNL in respect of any consequences of whatsoever nature arising on account of copy right/intellectual property rights violation in respect of Software/Hardware of GSM data cards, whichever and whatever is supplied by KRISHNA TELENET PVT. LTD. to the customer.
6. This Agreement shall not be amended or modified or altered or changed in any way except in writing and duly executed by the authorized representative of each party.



BSNL
Bharat Sanchar Nigam Limited
New Delhi



7. The Agreement is a confidential document. KRISHNA TELENET PVT. LTD. and BSNL shall not divulge any part of this Agreement either through oral or written communication or through any other mode to any third party.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed through their respective authorized representatives on the 27th day of June, 2011.

Sd/-

Signed for and on behalf of BSNL by Shri Ashutosh Gupta, Addl. GM (PD-CM)

(Signature)
B. S. N. Ltd., New Delhi

KRISHNA TELENET PVT. LTD.

Sd/-

(Signature)
Director

Signed on behalf of KRISHNA TELENET PVT. LTD., by Lalit Kumar, the authorized signatory, and holder of General Power of Attorney dated _____ executed in accordance with the Resolution dated _____ passed by the Board of Directors of the company.

In the presence of Witnesses:

1. Signature

Name VIJAY SINGH

Occupation Dist. Manager (P&A-CM)

Address 7075 7th Floor,

Place Bhaurat Lachheri Bhowan,
New Delhi

2. Signature

Name Amit Gupta

Occupation Business

Address A-20, SECTOR-2

Place ROHINI, DELHI-85

(Signature)

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B. S. N. Ltd., New Delhi

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TERMS & CONDITIONS


PART-I COMMERCIAL CONDITIONS

1. Scope of the Work

- 1.1 KRISHNA TELENET PVT. LTD. shall
- Provide for sale of their GSM data cards through their Distribution Network who will sell DATA CARDS after bundling with BSNL SIM Card.
 - KRISHNA TELENET PVT. LTD. distributors will provide their GSM data cards to BSNL's Distribution Channel who will sale this device after bundling with BSNL mobile connection.
 - A monthly schedule of targets for KRISHNA TELENET PVT. LTD., for BSNL bundle sales, will be drafted circle-wise.
- 1.2 The demand estimation of data cards bundled will be done centrally at the corporate office in consultation with KRISHNA TELENET PVT. LTD. and respective nodal officer as assigned by the GM Sales and Marketing of the circle customer mobility business unit
- 1.3 The demand estimation will be done at least ONE month in advance in order to provide sufficient time to KRISHNA TELENET PVT. LTD. to issue Data cards in appropriate quantities. The demand will be estimated in mutual agreement of BSNL and KRISHNA TELENET PVT. LTD. while keeping in mind potential sales for each circle and the market share of KRISHNA TELENET PVT. LTD.
- 1.4 Based on estimated demand, the number of SIM cards will be earmarked to M/s KRISHNA TELENET PVT. LTD. at the corporate office and will be sent to the circle. Circle can not issue these SIM cards to any other vendor or any SSA for unbundled sale.
- 1.5 KRISHNA TELENET PVT. LTD. will designate a key BSNL account manager & Circle level Managers to run the process from their side with Circle level Managers of BSNL i.e. GM(Sales / Mktg).
- 1.6 KRISHNA TELENET PVT. LTD. will submit circle-wise and model-wise sale details on monthly basis to the Demand Manager of Corporate Office.
- 1.7 KRISHNA TELENET PVT. LTD. distribution channel and BSNL's distribution channel will display prominently bundled data card/solution with BSNL mobile connection at its distribution network.
- 1.8 KRISHNA TELENET PVT. LTD. shall provide BSNL branding on the bundled devices packaging. BSNL SIM shall be packed in such a manner that BSNL brand / logo is displayed prominently. Besides this BSNL shall not be liable for any liability, damages, losses etc of whatsoever nature arising for co-branding of GSM Data cards to BSNL customers under this agreement.
- 1.9 KRISHNA TELENET PVT. LTD. will be responsible for presale service installation of required software or any accessory / helpdesk support/ after sales service / warranty / guarantee etc of GSM data card inter-alia payment of sales Tax etc thereon on its own cost, to be bundled with BSNL mobile service / SIM. for the



BSNL
General Manager (Sales & Mktg)
Customer Mobility Business Unit

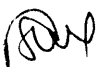



customers who will buy bundled GSM data card. For this purpose BSNL will neither be responsible nor will pay any charges to KRISHNA TELENET PVT LTD.

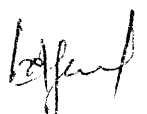
- 1.10 KRISHNA TELENET PVT. LTD. shall also be responsible for obtaining the copyrights and complying with the Intellectual Property Rights of the hardware and software or any other item. KRISHNA TELENET PVT LTD. will also comply with all laws, rules, regulations, for bundling of GSM data cards including any permission for bundling of products etc. KRISHNA TELENET PVT LTD. shall indemnify BSNL in respect of any consequences of whatsoever nature arising on account of copyright violation with respect to GSM data cards.
- 1.11 It is specifically agreed by the KRISHNA TELENET PVT. LTD. that it shall, at no point of time, use the BSNL name, logo, space and services under this agreement for sale of GSM data cards which are not for sale only to BSNL customers, unless agreed between the parties in writing and except that BSNL undertakes to allow KRISHNA TELENET PVT LTD. to sale GSM devices without bundling.
- 1.12 KRISHNA TELENET PVT. LTD. shall provide warranty as per the KRISHNA TELENET PVT. LTD.'s existing norms of the GSM data cards sold under this scheme of bundled GSM Data cards at its own cost. The devices faults shall be attended by KRISHNA TELENET PVT. LTD.'s customer care/fault repair centre. M/s. KRISHNA TELENET PVT LTD. shall mention its help desk details in its advertisement / promotion in English & in local vernacular language in an easily readable / comprehensible format.
- 1.13 KRISHNA TELENET PVT. LTD. shall provide post warranty support to the GSM data card sold under this scheme of bundled GSM Data cards.

2. Marketing of Bundled GSM Data Cards.

- 2.1 Based on the projected volumes, KRISHNA TELENET PVT. LTD. will identify Data cards (Data card Model + Color) for BSNL bundled in consultation with the corporate office.
- 2.2 KRISHNA TELENET PVT. LTD. will undertake marketing, advertising, promotion, etc. of bundled GSM Data Cards on mutually agreed basis.
- 2.3 KRISHNA TELENET PVT. LTD. will pack BSNL SIM in such a manner that BSNL brand / logo on the SIM is displayed prominently. The packaging design for the bundled GSM data cards and SIM shall be mutually agreed by both parties. The packing design shall be approved by marketing cell of Corporate Office.
- 2.4 KRISHNA TELENET PVT. LTD. will mention "Pack contains free BSNL SIM" on all bundles in order to make customer aware of bundling offer on the pack and that can not be sold without the SIM.
- 2.5 The responsibility of the M/s KRISHNA TELENET PVT. LTD. and BSNL with respect to marketing/ promotion of the scheme will be broadly as given below:




General Manager (Marketing)
B. S. N. Ltd., New Delhi



- 2.5.1 BSNL will mainly take care of promotion of the bundled scheme through mass media wherever feasible.
- 2.5.2 KRISHNA TELENET PVT. LTD. will mainly be responsible for promotion of the bundled scheme through *BTL (Below the line) marketing* i.e. merchandizing, mailers, pamphlets, leaflets, coupons, mailers, brochures, website based advertising, broadcast advertising, telemarketing etc and *outdoor* promotion activities i.e. billboards, posters, signage etc.
- 2.6 Neither of the party will go public through press, media or through any other medium, about the scheme without mutual consent.
- 2.7 Both the parties as per requirement will mutually agree for the budget of marketing / promotion of the scheme based on the merit of the scheme.
- 2.8 The creative and other promotional material for any kind of advertisement shall be approved by both parties before release in public/media.

3. Duration of Agreement

This agreement shall be valid for a period of **ONE** year from the date of signing the Agreement unless revoked earlier for whatever reasons. If at any stage during the tenure of this agreement, it comes to the notice of BSNL, directly or through some other complaint, that KRISHNA TELENET PVT. LTD. had misrepresented the facts or submitted any false information or hidden any information, which could have affected the signing of this agreement with the KRISHNA TELENET PVT. LTD., this agreement shall stand terminated immediately under intimation to the KRISHNA TELENET PVT. LTD.

4. Extension of Agreement

BSNL may extend, if deemed expedient, the period of agreement by **ONE** year at one time, upon request of KRISHNA TELENET PVT. LTD., if made at least one month before expiry of currency of the agreement, on mutually agreed terms. The decision of BSNL shall be final in regard to the grant of extension.

5. Modifications in the Terms and Conditions of Agreement

The terms and conditions of the Agreement are subject to modification by mutual agreement based upon the request of either party. In case of no agreement being reached in such cases, BSNL reserves the right to terminate the agreement.

6. Restrictions on 'Transfer of Agreement'

KRISHNA TELENET PVT LTD. shall not assign or transfer its right in any manner whatsoever under this agreement to a third party except as agreed in the agreement or enter into any agreement for sub-contracting and /or partnership relating to any subject matter of the agreement to any third party either in whole or in any part i.e. no sub-contracting/ partnership/ third party interest shall be created.

AGREEMENT
 BETWEEN
 BSNL
 AND
 KRISHNA TELENET PVT. LTD.
 Dated: 10/01/2011
 New Delhi

7. Suspension, Revocation or Termination of Agreement

- 7.1 BSNL reserves the right to suspend the operation of this Agreement, at any time, due to change in its own license conditions or upon directions from the competent Government Authorities. In such a situation, BSNL shall not be responsible for any damage or loss caused or arisen out of aforesaid action. Further, the suspension of the agreement will not be a cause or ground for extension of the period of the agreement and suspension period will be taken as period spent. During this period, no charges for use of the facility of KRISHNA TELENET PVT LTD. shall be payable by BSNL.
- 7.2 BSNL may, without prejudice to any other remedy available for the breach of any conditions of agreement, by a written notice of ONE month issued to KRISHNA TELENET PVT. LTD. at its registered office, terminate this agreement under any of the following circumstances:
- KRISHNA TELENET PVT. LTD. failing to perform any obligation(s) under the Agreement;
 - KRISHNA TELENET PVT. LTD. failing to rectify, within the time prescribed, any defect as may be pointed out by BSNL.
 - KRISHNA TELENET PVT. LTD. going into liquidation or ordered to be wound up by competent authority.
- 7.3 EITHER PARTY may terminate the Agreement, by giving notice of at least ONE month in advance. The effective date of surrender of agreement will be ONE month counted from the date of receipt of such notice by the other party or the authority that signed the agreement on behalf of other party.
- 7.4 If the KRISHNA TELENET PVT. LTD. is wound up or goes into liquidation, it shall immediately (and not more than a week) inform about occurrence of such event to BSNL in writing. In that case, the written notice period can be modified by BSNL as deemed fit under the circumstances. BSNL may either decide to issue a termination notice or to continue the Agreement by suitably modifying the conditions, as it feels fit under the circumstances.
- 7.5 It shall be the responsibility of KRISHNA TELENET PVT LTD. to maintain the agreed Quality of Service / equipment, even during the period when the notice for surrender/ termination of agreement is pending.
- 7.6 Breach or non-fulfillment of Agreement conditions may come to the notice of BSNL through complaints or as a result of the regular monitoring. Wherever considered appropriate BSNL may conduct an inquiry either suo-moto or on complaint to determine whether there has been any breach in compliance of the terms and conditions of the agreement by KRISHNA TELENET PVT LTD. or not? KRISHNA TELENET PV. LTD. shall extend all reasonable facilities and shall endeavor to remove the hindrance of every type upon such inquiry.

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भारतीय दूरसंचार प्राधिकरण
भारतीय दूरसंचार निगम लि.
B. S. N. Ltd., New Delhi

Handwritten signature

10. Force- Majeure

If at any time, during the continuance of this Agreement, the performance in whole or in part, by either party, of any obligation under this is prevented or delayed, by reason of war, or hostility, acts of the public enemy, civic commotion, sabotage, Act of State or direction from Statutory Authority, explosion, epidemic, quarantine restriction, strikes and lockouts (as are not limited to the establishments and facilities of KRISHNA TELENET PVT. LTD.), fire, floods, natural calamities or any act of God (hereinafter referred to as **event**), provided notice of happenings of any such event is given by the affected party to the other, within 21 Calendar days from the date of occurrence thereof, neither party shall, by reason of such event, be entitled to terminate the agreement, nor shall either party have any such claims for damages against the other, in respect of such non-performance or delay in performance. Provided Service under the agreement shall be resumed as soon as practicable, after such event comes to an end or ceases to exist. The decision of BSNL as to whether the service may be so resumed (and the time frame within which the service may be resumed) or not, shall be final and conclusive. However, the Force-majeure events noted above will not in any way cause extension in the period of the agreement.

11. Right to Inspect

Whenever considered appropriate BSNL may conduct any inquiry either suo-moto or on complaint to determine whether there has been any breach in compliance of terms & conditions of the agreement by KRISHNA TELENET PVT LTD or not? In case of such inquiry, KRISHNA TELENET PVT LTD, shall extend all reasonable facilities without any hindrance.

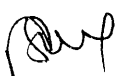
12. Confidentiality of Information

12.1 Subject to conditions contained in this Agreement, KRISHNA TELENET PVT LTD shall take all necessary steps to safeguard the privacy and confidentiality of any Information about BSNL and its subscribers from whom it has acquired such information by virtue of the Service provided and shall use its best endeavors to secure that:

- No person acting on behalf of KRISHNA TELENET PVT. LTD, himself divulges or uses any such information except as may be necessary in the course of marketing of bundled GSM data cards; and
- No person seeks such information other than is necessary for the purpose of selling bundled GSM data cards.

Provided, the above Para i.e. 12.1 shall not apply where BSNL has consented in writing to such information being divulged or used, and such information is divulged or used in accordance with the terms of that consent; or the information is already open to the public.

12.2 The KRISHNA TELENET PVT. LTD shall ensure that no profiling information regarding the Mobile subscribers of BSNL is collected, analyzed, sold, transferred or otherwise disclosed to any third party or utilized for the purpose of



A
KRISHNA TELENET PVT. LTD.
NEW DELHI



promoting the other than agreed products/ services of the KRISHNA TELENET PVT LTD and/or any third party.

12.3 KRISHNA TELENET PVT. LTD. shall take necessary steps to ensure that KRISHNA TELENET PVT. LTD. and any person(s) acting on its behalf observe confidentiality of customer information.

12.4 KRISHNA TELENET PVT. LTD. shall, prior to taking action under this agreement, confirm in writing to BSNL that KRISHNA TELENET PVT LTD. has taken all necessary steps to ensure that it and its employees shall observe confidentiality of customer information

This clause shall survive the termination or expiry of this Agreement

13. Indemnification

KRISHNA TELENET PVT LTD. agrees to protect, defend, indemnify and hold harmless BSNL and its employees, officers, directors, agents, dealers, distributors, detailers or representatives from and against any and all liabilities, damages, fines, penalties and costs (including legal costs and disbursements, arising from or relating to:

- Any breach of any statute, regulation, direction, orders or standards from any governmental body, agency, telecommunications operator or regulator applicable to such party;
- Any breach of the terms and conditions in this Agreement by the KRISHNA TELENET PVT. LTD. ;
- Any claim of any infringement of any intellectual property right or any other right of any third party or of law by the KRISHNA TELENET PVT. LTD.
- Any claim made by any third party arising out of sale of bundled GSM data cards and arising in connection with faults in said data cards

This clause shall survive the termination or expiry of this Agreement

14. Relationship

Each party understands that bundled it is an independently owned business entity and this Agreement does not make it, its employees, associates, distributors, dealers, retailers or agents as employees, agents or legal representatives of the other party for any purpose whatsoever. Neither party has express or implied right or authority to assume or to undertake any obligation in respect of or on behalf of or in the name of the Other Party or to bind the Other Party in any manner. In case, any party, its employees, associates or agents hold out as employees, agents, or legal representatives of the other party, the former party shall forthwith upon demand make good any/all loss, cost, damage including consequential loss, suffered by the other party on this account.

15. Exclusivity

This Agreement is non-exclusive and nothing in this Agreement will be construed to prevent either party from entering into a similar Agreement with any other party or to restrict such party from directly engaging in related activities.

16. Liability

Except as provided in this Agreement, hereinabove, neither party shall be liable to other party or any other party by virtue of termination of this Agreement for any reason whatsoever for any claim for loss or profit or on account for any expenditure, investment, leases, capital improvements or any other commitments made by the other party in connection with their business made in reliance upon or by virtue of this Agreement.

17. Intellectual Property Rights:-

- 17.1 The IPRs of BSNL & M/s KRISHNA TELENET PVT. LTD shall remain their own & this agreement shall not affect their ownership in any way unless mutually agreed upon.
- 17.2 M/s KRISHNA TELENET PVT. LTD shall be responsible for obtaining the legitimate copy rights, patent rights w.r.t. to GSM Data Cards to be bundled with BSNL SIM under this agreement.
- 17.3 This clause shall survive the termination or expiry of this Agreement.



PART-II


FINANCIAL CONDITIONS

1. M/s KRISHNA TELENET PVT. LTD. will sell their GSM data cards through their Distribution Network after bundling with BSNL mobile connection/SIM at mutually agreed prices/rates, which will be, preferably lower than MRP.
2. M/s KRISHNA TELENET PVT. LTD. will offer GSM devices to the distribution channel of BSNL at a mutually agreed rate from time to time (but lower than MRP) for sale through BSNL's Distribution Channel that will sell these devices after bundling with BSNL mobile connection.
3. M/s KRISHNA TELENET PVT. LTD. will extend upfront and deferred benefit to the customers who purchase the bundled GSM data cards. The benefit will be mutually agreed between both the parties from time to time depending upon devices price, prevailing market conditions, available tariff plan etc.
4. M/s KRISHNA TELENET PVT. LTD. may consider arranging the financing option from banks, finance institutions to the BSNL customers of bundled GSM devices at prevailing market interest rate. BSNL will have no liability in this regard.
5. M/s KRISHNA TELENET PVT. LTD. will ensure compliance of all Tax laws or any law of the land, in respect of sale of bundled GSM data cards.
6. In case of any dispute/complaints from the customers regarding any defect or non-delivery and consequent refund request of the bundled data cards, the KRISHNA TELENET PVT. LTD. shall be responsible for providing the conclusive evidence of performance at its end.
7. Sales Tax or any other tax liability on sale of devices (bundled with BSNL's SIM) shall be responsibility of KRISHNA TELENET PVT. LTD.

PART-III

Data Card Model: KR3G100




Authorized Signatory
B. S. N. Ltd., New Delhi