

Aggregation of Shares (Annex 7)

1. The Parties confirm the following understanding with respect to the interpretation and/or implementation of the India-Singapore Comprehensive Economic Cooperation Agreement (the “Agreement”):
 - (a) The Government of Singapore Investment Corporation (hereafter referred to as GIC) and Temasek Holdings (hereafter referred to as Temasek) are separate and distinct legal entities. They have different investment mandates and are governed separately, with separate management and separate accountability. They operate independently and do not act in concert.
 - (b) Accordingly, for investments into India’s capital markets, India shall regard GIC, Temasek and their investment vehicles as independent and unrelated legal entities, for the purposes of application of the Securities and Exchange Board of India (SEBI) legislation, including rules, regulations and guidelines (hereinafter collectively referred to as “legislation”) governing investment limits on Foreign Institutional Investors; legislation governing reporting of shareholdings; or other legislation governing acquisition of shares. Shares acquired or sought to be acquired by these two legal entities (whether directly or through their investment vehicles) shall not be regarded under these regulations as being held under a common ownership nor shall these legal entities be deemed to be parties acting in concert. Each legal entity shall be allowed to purchase up to 10% or the prevailing threshold under these regulations, whichever is higher, of the issued capital of any company.
 - (c) Under the present Indian regime, these two legal entities can seek waivers from SEBI if they wish to exceed such limits. This right shall remain notwithstanding the above understanding.
 - (d) In the event that the Government of the Republic of Singapore establishes one or more additional investment company that wishes to invest in equity as a Foreign Financial Institution (FII), that such equity as held by such investment company:-
 - (i) collectively with the GIC shall not exceed 10%;
 - (ii) collectively with Temasek shall not exceed 10%; and
 - (iii) collectively with the GIC and Temasek shall not exceed 20%.
 - (e) In the event that the prevailing cap on the extent of holding permitted to FIIs in India increase at any point of time, the corresponding figure shall be substituted in place of 10% and 20% in paragraph (d) above.