

**SCHEME OF ARRANGEMENT IN THE NATURE OF MERGER**

**OF**

**DEORA ASSOCIATES PRIVATE LIMITED – TRANSFEROR COMPANY**

**WITH**

**INTEGRATED CAPITAL SERVICES LIMITED – TRANSFEREE COMPANY**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

## **I. PREAMBLE:**

This Scheme of Arrangement provides for the Merger of Deora Associates Private Limited (hereinafter referred to as "DAPL" or "Transferor Company") with Integrated Capital Services Limited (hereinafter referred to as "ICSL" or "Transferee Company") pursuant to Sections 391 to 394 and other relevant provisions of the Companies Act, 1956 as amended and the corresponding provisions of the Companies Act, 2013 upon their notification (including any statutory modification(s) or re-enactment(s) thereto).

Deora Associates Private Limited (DAPL) is a private limited company incorporated under the Companies Act, 1956 having its registered office at 606, New Delhi House, Barakhamba Road, New Delhi. DAPL has been engaged in the business of providing advisory and consultancy services. DAPL is the Holding Company of ICSL holding 69.27% of aggregate shareholding in ICSL.

Integrated Capital Services Limited (ICSL) is a public limited company incorporated under the Companies Act, 1956 having its registered office at 606, New Delhi House, Barakhamba Road, New Delhi. ICSL is engaged in the business of providing consultancy services. The equity shares of ICSL are listed on Bombay Stock Exchange (BSE).

## **II. RATIONALE FOR THE SCHEME OF MERGER:**

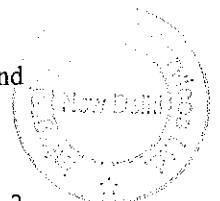
The Rationale and Benefits from the proposed merger:

- i. To restructure the shareholding pattern of ICSL, which is currently held by DAPL as one of the promoters of the Company.
- ii. To eliminate a layer of promoter investment Company and streamline promoter holding.
- iii. To vest the shareholding of the Company in the names of promoters of DAPL.

## **III. PARTS OF THE SCHEME:**

The Scheme is divided into following parts:

- i. Part A - contains the definitions and share capital.
- ii. Part B – deals with the transfer and vesting of Undertaking(s) of DAPL with and into ICSL.
- iii. Part C - deals with consideration, combination of Authorized Share Capital and Accounting Treatment in the books of ICSL.



- iv. Part D – deals with the general terms and conditions applicable to the Scheme of Merger and other matters consequential and integrally connected thereto.

**PART A**  
**DEFINITIONS AND SHARE CAPITAL**

**1. DEFINITIONS:**

In this Scheme, unless repugnant to the context, the following expressions shall have the following meanings:

- 1.1 “Act”** means the Companies Act, 1956 and the Companies Act, 2013, to the extent its provisions and rules and regulations made thereunder relevant to this scheme are notified and shall include any statutory modifications, re-enactment or amendment thereof for the time being in force; reference to Sections 391 to 394 of the Companies Act, 1956 shall also mean and include reference to any provisions in the Companies Act, 2013 which may be notified with regard to Compromise, arrangements and amalgamation.
- 1.2 “Appointed Date”** means October 01, 2016, or such other date as the Hon’ble High Court or such other authorities may direct.
- 1.3 “Applicable Law(s)”** means (a) all the applicable laws statutes, notification, enactments, act of legislature, listing regulations, bye-laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, orders or other instructions having force of law enacted or issued by any Appropriate Authority including any statutory modifications or re-enactment thereof for the time being in force (b) administrative interpretations, writs injunctions, directions, directives, judgments, arbitral awards, decree, awards, orders, decree, or governmental approvals of, or agreement with, any relevant authority, as may be in force from time to time.
- 1.4 “Court or High Court”** means Hon’ble High Court of Delhi.
- 1.5 “Board or “Board of Directors”** means the respective Directors of DAPL and ICSL and shall include committee of such board duly constituted and authorized.
- 1.6 “Business Day”** means any day, other than Saturday or Sunday, on which banks are generally open for business in Delhi, India.
- 1.7 “Companies”** the term collectively refers to DAPL and ICSL.
- 1.8 “Effective Date”** means the day on which the last of the sanctions and permissions the Scheme has been received and a certified true copy of the order of the Hon’ble High Court



of Judicature of Delhi or the NCLT, (defined hereinafter) as the case may be, is filed with the Registrar of Companies of Delhi by DAPL and ICSL (defined hereinafter).

1.9 "NCLT" means the National Company Law Tribunal at New Delhi.

1.10 "Record Date" means the date to be fixed by the Board of Directors of the Companies for the purpose of determining the members of DAPL to whom shares will be issued and allotted pursuant to the Scheme (defined hereinafter).

1.11 "Transferor Company" means "Deora Associates Private Limited" (DAPL), a Private Limited Company incorporated under the Companies Act, 1956 and having its registered office at 606, New Delhi House, Barakhamba Road, New Delhi – 110001.

1.12 "Transferee Company" means "Integrated Capital Services Limited" (ICSL), a Public Limited Company incorporated under the Companies Act, 1956 and having its registered office at 606, New Delhi House, Barakhamba Road, New Delhi – 110001.

1.13 "Scheme" or "Scheme of Merger" means the scheme of Merger in its present form or with any modification(s), approved or imposed or directed by the Hon'ble High Court of Delhi or the NCLT with the schedules appended thereto.

1.14 "Undertaking" shall mean and include:

- a) All the assets (including tangible and intangible), properties and the entire business of DAPL as on the Appointed Date, (hereinafter referred to as "the said assets").
- b) All the debts, liabilities, contingent liabilities, duties, obligations and guarantees of DAPL as on the Appointed Date ("hereinafter referred to as "the said liabilities").
- c) Without prejudice to the generality of sub clause (a) and (b), the Undertakings of DAPL include all DAPL reserves, movable and the immovable properties, all other assets including investment in shares, debentures, bonds, other securities, claims, loans and advances, deposits, ownership rights, lease hold rights, tenancy rights, occupancy rights, time shares, lending contracts, revisions, powers, permits, authorities, licenses, consents, approvals, municipal permissions, industrial and other licenses, permits, authorizations, quota rights, registrations, import/export licenses, bids, tenders, letter of intent, connections for water, electricity, and drainage, sanctions, consents, allotments, approvals, electrical installations and equipment, furniture and fittings, software packages, vehicles, interest, benefits, allocations, exemptions, concessions, subsidies, telephones, facsimile, website, e-mail connections, network facilities and other communication facilities and equipment, investments rights and benefits of all agreements and all other interests, right and power of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals and all necessary records, files, papers, process information, and all books of accounts, documents and records relating thereof.



All the terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning as prescribed under the Companies Act, 1956 or the Companies Act, 2013 as applicable, the Securities Contracts (Regulation) Act, 1956 and other applicable laws, rules, regulations, bye laws as the case may be or any statutory modification(s) or re-enactment thereof from time to time.

## 2. SHARE CAPITAL:

The authorized, issued, subscribed and paid up share capital of DAPL and ICSL are as under:

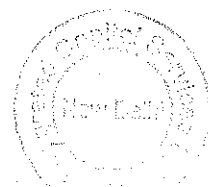
2.1 The Share Capital Structure of DAPL as per the Audited Financial Statement dated September 30, 2016 is as under:

Particulars	As at 30.06.2016 (Rs.)
<b>Authorized Share Capital</b>	
30,00,000 Equity Shares of Re. 1 each	30,00,000
<b>Total</b>	<b>30,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
25,00,000 Equity Shares of Re. 1 each fully paid up	25,00,000
<b>Total</b>	<b>25,00,000</b>

The authorized, issued, subscribed and paid-up share capital of DAPL is the same as above as on the date of Board Meeting sanctioning the Scheme.

2.2 The Share Capital Structure of Integrated Capital Services Limited (ICSL) as on September 30, 2016 is as under:

Particulars	As at 30.09.2016 (Rs.)	As at 30.09.2016 (Rs.)
	Equity (listed on STXs)	Preference (not listed on STXs)
<b>Authorized Share Capital</b>		
4,00,00,000 Equity Shares of Re. 1 each	4,00,00,000	6,00,00,000
6,00,000 7% Cumulative, Non-Convertible, Redeemable Preference Shares of Rs. 100 each		
<b>Total</b>	<b>4,00,00,000</b>	<b>6,00,00,000</b>
<b>Issued, Subscribed and Paid-up Share</b>		



<b>Capital</b>		
3,61,50,000 Equity Shares of Re. 1 each fully paid up	3,61,50,000	3,00,00,000
3,00,000 7% Cumulative, Non-Convertible, Redeemable Preference Shares of Rs. 100 each fully paid up		
<b>Total</b>	<b>3,61,50,000</b>	<b>3,00,00,000</b>

The authorized, issued, subscribed and paid-up share capital of ICSL is the same as above as on the date of Board Meeting sanctioning the Scheme.

**REDUCTION OF EQUITY SHARE CAPITAL OF ICSL (TRANSFEREE COMPANY) (POST MERGER)**

Upon the proposed scheme of merger becoming effective and after obtaining the necessary approvals, consents, permissions etc, the subscribed, issued and paid-up equity capital of ICSL shall stand reduced from Rs. 3,61,50,000 (Rupees Three Crore Sixty One Lakh Fifty Thousand Only) divided into 3,61,50,000 (Three Crore Sixty One Lakh Fifty Thousand Only) Equity Shares of Re. 1/- (Rupee One Only) each to Rs. 3,48,59,000 (Rupees Three Crore Forty Eight Lakh Fifty Nine Thousand) divided into 3,48,59,000 (Rupees Three Crore Forty Eight Lakh Fifty Nine Thousand) Equity Shares of Re. 1/- (Rupee One Only) each as the shareholders of DAPL will be issued the aforesaid reduced number of equity shares of ICSL in lieu of cancellation of equity shares of ICSL, held by DAPL. It is therefore, that the reduction in shareholding shall only reduce the shareholding of the shareholders of DAPL in ICSL, as a result of the proposed merger, as the shares to be credited to the account of the shareholders of DAPL, shall be less by 12,91,000 than the number of shares being presently held by DAPL in ICSL.

**PART B**

**TRANSFER AND VESTING OF UNDERTAKING OF DAPL WITH AND IN TO ICSL**

**3. TRANSFER AND VESTING OF UNDERTAKING:**

3.1 Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all immovable property (including land, building, and any other immovable property) of DAPL, whether freehold or leasehold, and any documents of title, rights and easements in relation thereto, shall stand vested in ICSL, without any act or deed done by DAPL or ICSL, and without any approval or acknowledgement of any third party. With effect from the Appointed Date, ICSL shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges, and fulfil

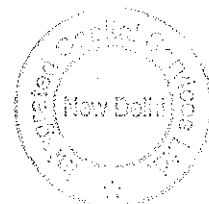


all obligations, in relation to or applicable to such immovable properties. The mutation/substitution of the title to such immovable properties shall be made and duly recorded in the name of ICSL by the appropriate authorities pursuant to sanction of the Scheme by the Court and the Scheme becoming effective in accordance with the terms thereof. DAPL shall take all steps as may be necessary to ensure that lawful, peaceful and unencumbered possession, right, title, interest of its immovable property is given to ICSL.

3.2 Upon the Scheme coming into effect and with effect from the Appointed Date, all the assets of DAPL as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, shall stand vested in ICSL, and shall become the property and integral part of ICSL. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or by endorsement and delivery, as appropriate, to the property being vested and the title to such property shall be deemed to have been transferred and vested accordingly. No stamp duty shall be payable on the transfer of such movable properties (including share and other investments which are in dematerialized form) upon its transfer and vesting in ICSL.

3.3 Upon the coming into effect of this Scheme and with effect from the Appointed Date, all debts (including all secured and unsecured debts), liabilities (including contingent liabilities), duties and obligations related to and comprised in DAPL and undertakings of DAPL of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized for its business activities and operation, shall stand transferred to and vested in ICSL as on the Appointed date whether provided for or not in the books of account of the Transferor Company and all other liabilities which may accrue or arise after the Appointed Date shall be the debts, liabilities, duties and obligations of the Transferee Company including any encumbrance on the assets of the Transferor Company or any income earned from those assets.

3.4 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, leases, tenancy, time shares, assignments, allotments, powers of attorney given by, issued to or executed in favour of DAPL, claims, powers, authorities, allotments, approvals, consents, contracts, enactments, arrangements, rights, titles, interests, benefits, advantages, leasehold rights and tenancies, and other intangible rights, and all quality certifications and approvals, trademarks, trade names, services marks, copy rights, domain names, designs, trade secrets, research, and studies, technical knowhow and all other interests relating to the services being dealt by DAPL shall be transferred to or vested in ICSL and the concerned licensors and grantors of such approvals, clearances, permissions, etc., shall endorse, where necessary, and record, in accordance with law, the memo of ICSL on such approvals, clearances, permissions so as to empower and facilitate the



approval and vesting of DAPL in ICSL and continuation of operations of DAPL in ICSL without hindrance and that such approval, clearances and permissions shall remain in full force and effect in favour of or against ICSL, as the case may be, and may be enforced as fully and effectually as if, instead of DAPL ICSL had been a party or beneficiary or obligee thereto.

3.5 Where any of the debt, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations of DAPL as on the Appointed Date are deemed to be transferred to ICSL and have been discharged by DAPL after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of ICSL.

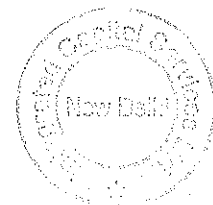
3.6 In so far as various incentives, exemptions, service tax benefits, income tax holiday/benefit/losses/ and other benefits or exemptions or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by DAPL are concerned, the same shall, without any further act or deed, vest with and be available to ICSL on the same terms and conditions.

3.7 Without prejudice to the above provisions, with effect from the Appointed Date, all inter party transactions between DAPL and ICSL shall be considered as intra-party transactions for all purposes.

#### **4. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS:**

4.1 Subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, and other instruments of whatsoever nature to which DAPL is a party or to the benefits of which DAPL may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in favour of ICSL, as the case may be, and may be enforced as fully and effectively as if, instead of DAPL, ICSL had been a party thereto.

4.2 It is clarified that in case of any such instruments including contracts, deeds, bonds, debentures etc., wherever required, ICSL shall amend or modify such instrument, etc., as may be appropriate, by appending, attaching or affixing thereto such addendum, stickers, papers, supplementary modification deeds etc., with or without affixing the Common Seal, to denote and signify ICSL, as a party thereto stepping instead and in place of DAPL. Further, ICSL shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of DAPL and to implement or carry out all formalities required on the part of DAPL to give effect to the provisions of this Scheme.





## **5. LEGAL PROCEEDINGS:**

5.1 Upon coming into effect of this Scheme, all suits, claims, actions, and /or proceedings by or against the DAPL, arising after the Appointed Date but before the Effective Date shall be continued and be enforced by or against ICSL as effectually as if the same had been pending and /or arose against ICSL.

5.2 Upon coming into effect of this Scheme, all suits, writ petition, appeal, revisions, or claims or action before any statutory or quasi-judicial authority or tribunal or other proceedings of whatever nature (hereinafter called the "Proceedings") by or against DAPL be pending, the same shall not abate, or be discontinued, or be in any way prejudicially effected by reason of the Merger of DAPL or of anything contained in the Scheme, but the proceeding may be continued, prosecuted and enforced by or against ICSL in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against any of DAPL, as if the Scheme had not been made. On and from the Effective Date, ICSL shall and may initiate any legal proceedings for and on behalf of DAPL.

## **6. OPERATIVE DATE OF THE SCHEME**

This Scheme though effective from the Appointed Date shall be operative from the Effective Date.

## **7. STAFF, WORKMEN AND EMPLOYEES OF DAPL:**

All the staff, other employees in the service of DAPL immediately before the Merger, under the Scheme shall become the staff, employees of ICSL on the basis that:

7.1 Their service shall be continuous and shall not be interrupted by reason of the Merger.

7.2 The terms and conditions of service applicable to the said staff, employees after such Merger shall not in any way be less favourable to them than those applicable to them immediately before the Merger and

7.3 It is expressly provided that, on the Scheme becoming effective, the provident fund, gratuity fund, superannuation fund or any other special fund or trusts, if any, created or existing for the benefit of the staff, employees of DAPL shall become trusts/ funds of ICSL for all purposes whatsoever in relation to the administration or operation of



such 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, obligations of DAPL, in relation to such fund or funds shall become those of ICSL. It is clarified that, for the purpose of the said fund or funds, the services of the staff, employees of DAPL will be treated as having been continuous with ICSL from the date of employment as reflected in the records of DAPL.

**8. CONDUCT OF BUSINESS OF DAPL FOR ICSL FROM APPOINTED DATE:**

- 8.1 DAPL shall on and from the Appointed Date carry on or shall be deemed to have carried on all its business and activities as hitherto and shall be deemed to have held and stand possessed of the undertaking on account of, and for the benefit of and in trust for ICSL.
- 8.2 All the profits or incomes accruing or arising to DAPL or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) of DAPL on and from the Appointed Date, shall, for all purpose, be treated and be deemed to be and accrued as the profits or incomes or expenditure or losses of ICSL.
- 8.3 DAPL may not vary the terms and conditions and employment of permanent employees except in ordinary course of business.
- 8.4 DAPL shall not, without prior written consent of ICSL, undertake any new business.
- 8.5 DAPL shall not, without prior written consent of ICSL, take any major policy decision in respect of management of DAPL and for business of DAPL.
- 8.6 It is clarified that any advance tax paid / TDS credits / TDS certificates received by DAPL shall be deemed to be the advance tax paid by / TDS credit / TDS certificates of ICSL.
- 8.7 All assets howsoever acquired by DAPL for carrying on its business, operations, activities and liabilities relating thereto shall be deemed to have been acquired and contracted for and on behalf on ICSL.
- 8.8 ICSL shall also be entitled, pending sanction of the Scheme, to apply to the Central, State Government, and all other agencies department and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which ICSL may require, including registration, approvals, exemptions, relieves, etc., as may be required / granted under any law for the time being in force for carrying on business of DAPL.
- 8.9 The transfer of assets, properties, liabilities or undertaking(s) and the continuance of proceedings by or against DAPL shall not affect any transaction or proceedings



already concluded by DAPL on or after the Appointed Date to the end and intent that ICSL accepts and adopts all acts, deeds things done and executed by DAPL in regard thereto as done or executed by ICSL on behalf of itself.

8.10 DAPL undertakes that it will preserve and carry on the business with diligence and utmost business prudence and agrees that it will not, without prior written consent of ICSL, alienate, charge, mortgage or encumber or otherwise deal with or dispose of any assets or any part thereof or recruit new employees (in each case except in the ordinary course of business) or conclude settlements with employees without concurrence of ICSL or undertake substantial expansion or change the general character of the business of DAPL.

### PART C

#### CONSIDERATION, COMBINATION OF AUTHORIZED SHARE CAPITAL AND ACCOUNTING TREATMENT

#### 9. Consideration

9.1 Upon this Scheme coming into effect and in consideration of the Merger of the DAPL in ICSL, including the transfer and vesting of the Undertaking in ICSL, ICSL shall, without any further application, act, instrument or deed, issue and allot ordinary shares ("New Ordinary Shares") to the equity shareholders of DAPL, whose names are recorded in the register of members of DAPL, as on the Record Date to be fixed by the Board of Directors of ICSL or any committee thereof, in the following ratio ("Share Exchange Ratio"):

*"9.5 ordinary shares of the face value of Re. 1/- (Rupee One Only) each credited as fully paid up shares of ICSL to the equity shareholders of DAPL for every 1 (one) equity share of the face value of Re. 1/- (Rupee One Only) each fully paid up and held by such shareholders in DAPL and whose names are recorded in the Register of Members of DAPL as on the record date."*

9.2 No fractional shares shall be issued by ICSL and the fractional share entitlements, if any, arising out of the allotment shares as aforesaid, shall be consolidated to the nearest possible whole share.

9.3 The Equity Shares to be issued to the members of DAPL as above shall be subject to the Memorandum and Articles of Association of ICSL and rank *pari passu* with the existing equity shares of ICSL in all respects.

9.4 The equity shares shall be issued in dematerialized form to the shareholders of DAPL



- 9.5 The equity shares to be issued to the Members of DAPL pursuant to Clause 9.1 of this Scheme will be listed in terms of Securities Exchange Board of India (LODR) Regulations, 2015 on all the Stock Exchanges on which shares of ICSL are listed on the Effective Date. ICSL shall enter into such arrangements and give such confirmations and/or undertaking as may be necessary, in advance, in accordance with the applicable laws or regulations and the formalities of the said Stock Exchanges.
- 9.6 The approval of the Scheme by the shareholders of both, DAPL and ICSL shall be deemed to be approval under Section 391 to 394 and other applicable provisions of the Companies Act, 1956, or any corresponding or other applicable provisions of the Companies Act, 2013, as may be notified and any other consent and approvals required in this regard.

#### **10. Combination of Authorized Share Capital**

- 10.1 Upon sanction of this Scheme, the Authorized Share Capital of ICSL shall stand automatically increased without any further act, instrument, deed on the part of ICSL including payment of stamp duty and fees payable to Registrar of Companies, by the authorized share capital of DAPL as on the Effective Date.
- 10.2 The Memorandum of Association of ICSL (clause relating to the Authorized Share Capital) shall, without any further act, instrument or deed, be and stand altered, modified, pursuant to Sections 391 to 394 of the Companies Act, 1956 and Sections 13, 14 and 61 and/or any other provisions of the Companies Act, 2013 as may be notified, as the case may be, and for this purpose the stamp duties and fees paid on the Authorized Share Capital of DAPL shall be utilized and applied to the increased Authorized Share Capital of ICSL and no payment of any extra stamp duty and/or fee shall be payable by ICSL for increase in its Authorized Share Capital to that extent.
- 10.3 Accordingly, on sanction of the Scheme, the Authorized Equity Share Capital of ICSL (Transferee Company) shall increase to Rs. 1030,00,000/- (Rupees Ten Crore Thirty Lakh Only) divided into 4,30,00,000 (Four Crore Thirty Lakh) Equity Shares of Re. 1/- (Rupee One) each and 600,000 7% Cumulative, Non-Convertible and Redeemable Preference Shares of Rs. 100/- each and Clause V (Capital Clause) of Memorandum of Association of ICSL shall stand altered as under:

**“The Authorized Share Capital of the Company is Rs. 10,30,00,000/- (Rupees Ten Crore Thirty Lakh Only) divided into 4,30,00,000 (Four Crore Thirty Lakh) Equity Shares of Re. 1/- (Rupee One Only) each and 6,00,000 (Six Lakh) 7% Cumulative, Non-Convertible and Redeemable Preference Shares of Rs. 100/- (Rupees Hundred Only) each.”**



10.4 It is clarified that the approval of the members of ICSL to this Scheme shall be deemed to be their consent / approval also to the alteration of the capital clause in the Memorandum of Association of ICSL as may be required under the Act.

## **11. Accounting Treatment**

11.1 Recognising that the merger is to be considered as an “amalgamation in the nature of merger” in accordance with the provisions of Accounting Standard 14 “Accounting for Amalgamations” (AS-14) specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014), the accounting treatment in respect of assets, liabilities and reserves and surplus of DAPL in the books of ICSL shall be governed by the provisions of AS-14. Accordingly, all the assets and liabilities of DAPL shall be recorded at their existing values and in the same form as at the Appointed Date in the books of ICSL.

11.2 As on the Appointed Date, the balance lying to the credit/debit of the Statement of Profit and Loss in the books of the DAPL shall be credited/debited by ICSL to the balance of its Statement of Profit and Loss Account as effectively as if the same were created by ICSL and credited/debited, as the case may be, by ICSL out of its own earned and distributable profits.

11.3 Upon coming into effect of this Scheme, to the extent that there may be inter-company loans, advances, deposits, balances or other obligations as between DAPL and ICSL, all the rights and obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account and records of ICSL.

## **PART D**

### **GENERAL TERMS AND CONDITIONS**

#### **12. APPLICATION TO THE HIGH COURT AND/OR NATIONAL COMPANY LAW TRIBUNAL AND/OR ANY OTHER GOVERNMENT AUTHORITY:**

DAPL and ICSL shall follow the procedures prescribed under Sections 391 to 394 of the Companies Act, 1956 and or other applicable provisions of the Companies Act, 2013, as may be notified and applicable laws of High Court and/or National Company Law (NCLT) and/or any other government authority as applicable, for sanctioning of this Scheme, for carrying this Scheme into effect and for obtaining all approvals as may be required under law.



### **13. MODIFICATIONS, AMENDMENTS TO THE SCHEME:**

DAPL (by its directors) and ICSL (by its directors) may assent from time to time on behalf of all persons concerned to any modifications or amendments thereto or addition to this Scheme or to any conditions or limitations which the Hon'ble High Court of Delhi or the NCLT or such other Courts or Governmental Authority or the Registrar of Companies or any other authority under the applicable laws may deem fit to approve of or impose and to resolve any doubt or difficulties (including ascertainment of Assets and Liabilities of DAPL) that may arise for carrying out this Scheme and to do and execute all such acts, deeds, matters and things as may be necessary, desirable or proper for carrying the Scheme into effect.

For the purpose of giving effect to this Scheme or to any modifications or amendments thereof, the directors of DAPL and ICSL may give and are authorized to give all such directions that are necessary or are desirable including directions for settling any doubts or difficulties that may arise.

### **14. SCHEME CONDITIONAL ON APPROVALS/SANCTIONS:**

The Scheme is conditional on and subject to the approval to the Scheme by the requisite majority of the members and creditors of DAPL and the members and creditors of ICSL.

- 14.1 The requisite resolution(s) under the applicable provisions of the said Act being passed by the Shareholders of ICSL for any of the matters provided for or relating to the Scheme, as may be necessary or desirable, including approval to the issue and allotment of Equity Shares in ICSL to the members of DAPL.
- 14.2 The sanction of the High Court of Judicature at Delhi under Sections 391 to 394 of the said Act, or the sanction of NCLT under the provisions of the Companies Act, 2013, as may be notified and become applicable, in favour of DAPL merging into ICSL and to the necessary order or orders under Section 394 of the said Act, being obtained.
- 14.3 Any other sanction or approval of the Appropriate Authorities concerned, as may be considered necessary and appropriate by the Board of Directors of DAPL and ICSL being obtained and granted in respect of any of the matters for which such sanction or approval is required.
- 14.4 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.

14.5 In the event of any of the sanctions and/or approvals not being obtained and/or the Scheme not being sanctioned by the High Court and/or NCLT, as the case may be, order not being passed as aforesaid on or before March 31, 2019, or such period as may be agreed upon between the Transferor Company and Transferee Company through their representative Board of Directors, the Scheme shall become null and void and the Transferee Company shall bear and pay the costs charges and expenses for and/or in connection with the Scheme.

**15 EFFECT OF NON-RECIPT OF APPROVALS / SANCTIONS:**

In the event of any approvals or conditions enumerated in the Scheme not being obtained or complied with, or for any other reason, the Scheme cannot be implemented, the Board of Directors of DAPL and ICSL shall waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such agreement or in case the Scheme not being sanctioned by the applicable judicial authority, the Scheme will become null and void and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

**16 SEVERABILITY:**

If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the mutual agreement between DAPL and ICSL, affect the validity or implementation of the other parts and/or provisions of this Scheme.

**17. EXPENSES CONNECTED WITH THE SCHEME:**

All costs, expenses, charges, taxes, including duties, levies and all other expenses of DAPL and ICSL respectively in relation to or in connection with the Scheme and of carrying and implementing / completing the terms and provisions of the Scheme and/or incidental to the completion of Merger of the said Undertakings of DAPL in pursuance of the Scheme shall be borne and paid solely by ICSL.

**18. ARBITRATION**

Any dispute, difference or question or any time arising out of the Scheme or any clause, matter or thing herein contained or the rights or liabilities of the parties hereunder which the parties are unable to resolve amicably shall referred to sole arbitrator, Mr. Vivek Sibbal, Advocate. The conciliation and arbitration proceeding shall take place at New Delhi. Judgement upon the award reward may be entered in any court having jurisdiction or an application may be made to such court for a judicial acceptance of the award and an order of enforcement, or the case may be.

