

Appld By: Kanya & Co.

7013

ON No. 4811/2015

Charges @ Rs. 2.50/5.00: 95/-

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HIGH COURT, BOMBAY

330271

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 658 OF 2014

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 346 OF 2014

Man Industries (India) Limited

.... Petitioner Company

AND

COMPANY SCHEME PETITION NO. 659 OF 2014

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 347 OF 2014

Man Infraprojects Limited

.... Petitioner Company

IN THE MATTER of the Companies Act
(or re-enactment thereof upon
effectiveness of the Companies Act,
2013);

AND

IN THE MATTER of Sections 391 to
394 read with Section 78
(corresponding provisions u/s 52 of
the Companies Act, 2013) and
Sections 100 to 103 of the Companies
Act, 1956 (or any corresponding
provisions of the Companies Act, 2013
as may be notified)

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AND

IN THE MATTER of Scheme of Arrangement between Man Industries (India) Limited and Man Infraprojects Limited and their respective Shareholders and Creditors.

Called for hearing:

Mr. Snehal Shah i/b. M/s. Kanga & Company, Advocates for the Petitioner in Company Scheme Petition No. 658 of 2014.

Mr. Ajit Anekar i/b. M/s. Auris Legal, Advocate for the Petitioner in Company Scheme Petition No. 659 of 2014.

Mr. B.M. Chatterjii, Senior Advocate i/b. Mr. H. P. Chaturvedi for Regional Director in both the Petitions.

CORAM: S.J. Kathawalla J.

DATE: 20th March 2015

PC:

1. Heard counsel for the parties. No objector has come before the court to oppose the Scheme nor any party has contravened any averments made in the Petition.

2. The sanction of the Court is sought to a Scheme of Arrangement between Man Industries (India) Limited and Man Infraprojects Limited and their respective shareholders and creditors under Sections 391 to 394 read with Section 78 (corresponding provisions u/s 52 of the Companies Act, 2013) and Sections 100 to 103 of the Companies Act, 1956

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(or any corresponding provisions of the Companies Act, 2013 as may be notified).

3. The Learned Counsels for the Petitioners state that Man Industries (India) Limited/Transferor Company is the flagship company of Man Group and the main business line includes manufacturing & coating of large diameter carbon steel pipes and real estate and Man Infraprojects Limited/Transferee Company is presently engaged in the business of real estate and is now forward integrating into the high value realm of IT parks, SEZs, residential complexes and commercial complexes. The Board of Directors of the Petitioner Companies have approved the Scheme of Arrangement by passing the Board Resolutions which are annexed to the respective Company Scheme Petitions. The Learned Counsels for the Petitioners submit that the proposed Scheme of Arrangement would result in two independent listed companies which would provide opportunities to the respective businesses to attract different set of investors, strategic partners, lenders and other stakeholders and would enable respective management(s) to concentrate on core businesses and strengthen competencies and provide independent opportunities to increase scale of operations, etc., resulting in focused management attention to the respective businesses and segregation of businesses with distinct risk-reward profiles and would create long term value by unlocking value of the respective businesses and the existing shareholders of Man Industries (India) Limited would be eligible to get equity shares of Man Infraprojects Limited in

addition to their existing shareholding in Man Industries (India) Limited.

4. The Learned Counsels for the Petitioners further state that, Petitioner Companies have complied with all the directions passed in the respective Company Summons for Directions and that the Company Scheme Petitions have been filed in consonance with the orders passed in respective Summons for Directions.
5. The Learned Counsels appearing on behalf of the Petitioners state that the Petitioners have complied with all requirements as per directions of this Court and that the Petitioners have filed necessary Affidavits of compliance in the Court. Moreover, the Petitioner Companies undertake to comply with all statutory requirements, if any, as required under the Companies Act, 1956 and Companies Act, 2013 and the Rules made thereunder as may be applicable. The said undertaking is accepted.
6. The Regional Director has filed an Affidavit on 11th November 2014 stating therein that save and except as stated in para 6(a), (b), (c), (d) and (e) it appears that the Scheme is not prejudicial to the interest of shareholders and public. The said para is reproduced below:

"6. That the Deponent further submits that :

- a) Clause 22.6 of the Scheme states that the difference, arising out of this Scheme, shall be recorded as Capital Reserve, if the difference is a credit balance or as Goodwill, if the difference is a debit balance and*

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the capital reserve shall be adjusted against the debit balance of the Profit & Loss Account of Man Infraprojects. In this regard, it is submitted that the Capital Reserve arising out of the Scheme is not a free reserve and therefore not available for adjustment towards revenue loss and hence, it is suggested that the last sentence appearing in the said clause 22.6 of the scheme, viz. "Capital Reserve, if any, shall be adjusted against the debit balance of the Profit & Loss Account of Man Infraprojects", be deleted.

b) The Stock Exchanges viz. BSE and NSE vide its letter dated 18/02/2014 and 19/02/2014 respectively, has directed the petitioner company to delete / remove from the Scheme the reference of "family settlement being an integral part of the Scheme". However, the said references are reflected in the rationale for the scheme as well as clause 14 of the said scheme. The petitioner companies have to remove the relevant portion from the said scheme. In this regard, the petitioner company has given modified clauses of the Scheme vide its letter dated 03/11/2014 and copy of the said letter is annexed hereto and marked as Exhibit-D. It is therefore suggested that the Petitioner company be directed to suitably amend the said clauses in the scheme as directed by BSE and NSE.

c) It is observed from the Shareholder's position of the company that the Shares of M/s. Man Industries (India) Limited are held by Non Resident Indian. Hence, while giving effect to the Scheme, by issuing

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new shares by the Resulting Company to the shareholders of Demerged Company, the Resulting Company has to comply with the provisions of FEMA/RBI regulations as applicable in this regard.

d) Clause 13.1 of the Scheme provides for issue of shares upon scheme becoming effective. The authorised share capital of Man Infraprojects may not be sufficient to issue shares as per said clause. In this regard, it is suggested that M/s. Man Infraprojects Limited may, if necessary and to the extent required, increase its Authorised Share Capital to facilitate issue and allotment of Shares under this Scheme. In this connection, M/s. Man Infraprojects Limited may be directed to comply with provisions of section 61/64 of the Companies Act, 2013 corresponding to section 94/97 of the Companies Act, 1956, in respect of filing fee and stamp duty as applicable on the said forms.

e) It is respectfully submitted that the tax implication, if any, arising out of the Scheme is subject to final decision of Income Tax Authorities. The approval of the Scheme by this Hon'ble Court may not deter the Income Tax Authority to scrutinize the tax returns filed by the Petitioner companies after giving effect to the Scheme. The decision of the Income Tax Authority is binding on the Petitioner companies."

7. The Petitioner in Company Scheme Petition No. 659 of 2014 filed an Affidavit dated 6th January 2015 dealing with Para 6(a) and (b) of the Affidavit of the Regional Director. In response, the Regional Director filed further Affidavit *inter alia* stating as under:

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"...It is further submitted that after giving effect to the scheme, while preparing the financial statement and the profit and loss account of the company; how the said capital reserve arising out of the scheme can be utilised, it a matter to be examined by the statutory auditor independently post amalgamation."

8. The Learned Counsels appearing on behalf of the Petitioner Companies state that in respect of paragraph 6(a) of the Affidavit of the Regional Director, the Petitioner Company, in Company Scheme Petition No. 659 of 2014 through their Counsel submits that as indicated by the Regional Director, after giving effect to the scheme, while preparing the financial statement and the profit and loss account of the company the statutory auditor will examine as to how the said capital reserve arising out of the scheme can be utilised.
9. The Learned Counsels appearing on behalf of the Petitioner Companies further state that in respect of paragraph 6(b) of the Affidavit of the Regional Director is concerned, the Petitioner Companies through their Counsels undertake to delete the reference of "family settlement being an integral part of the Scheme." from the rationale of the Scheme and Clause 14 of the said Scheme. The Petitioner Companies had prior to the Scheme being approved by their Shareholders had complied with BSE & NSE letters dated 18.2.2014 and 19.2.2014, respectively by deleting the reference to the Family Settlement being an integral part of the Scheme from the Rationale. In view of the objections raised by the Regional Director in the said Affidavit, both the Petitioner Companies undertake, through their Counsels, to delete in entirety the last paragraph under the heading the Rationale for the

Scheme of Arrangement and the entire Clause 14 and Schedule IV from the Scheme which refers to the Share Exchange. Accordingly, the Petitioner Companies be and are hereby permitted to delete the para relating to family arrangement under the heading the Rationale for the Scheme of Arrangement and the entire Clause 14 and Schedule IV from the Scheme which refers to the Share Exchange.

10. The Learned Counsel appearing on behalf of the Petitioner Company in Company Scheme Petition No. 659 of 2014 states that in respect of paragraph 6(c) of the Affidavit of the Regional Director, is concerned the Petitioner Company in C.S.P No. 659 of 2014 through its Counsel undertakes that, for the allotment of new shares by Man Infraprojects Limited to the shareholders of Man Industries (India) Limited, Man Infraprojects Limited will comply with FEMA/RBI regulations as applicable in this regard.

11. The Learned Counsel appearing on behalf of the Petitioner Company in Company Scheme Petition No. 659 of 2014 states that in respect of paragraph 6(d) of the Affidavit of the Regional Director, is concerned the Petitioner Company in C.S.P No. 659 of 2014 through its Counsel undertakes to comply with the provisions of section 61/64 of the Companies Act, 2013 corresponding to section 94/97 of the Companies Act, 1956, in respect of filing of necessary forms with the Registrar of Companies after payment of necessary filing fee and stamp duty as applicable on the said forms, if required.

12. The Learned Counsels appearing on behalf of the Petitioner companies further state that in respect of paragraph 6(e) of

Director is concerned, the Petitioner Companies through their Counsel agree and confirm that the Petitioner Companies are bound to comply with all applicable provisions of Income Tax Act, and all tax issues arising out of the Scheme will be answered in accordance with law.

13. The Learned Counsel for Regional Director on instructions of Mr. Chandanamuthu, Joint Director in the office of the Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai states that they are satisfied with the undertakings given by the Learned Counsels for the Petitioner Companies. The undertakings given by the Petitioner Companies are accepted and the Petitioner Companies seek to amend the Scheme of Arrangement including consequential amendment of renumbering the Clauses after Clause 13 of the Scheme. Leave is granted to amend the Scheme of Arrangement as mentioned in para 9 hereinabove including the consequential amendments as prayed for. Amendments to be carried out within four weeks from the date of the Order.

14. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.

15. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 658 of 2014 is made absolute in terms of prayers (a) to (c) and Company Scheme Petition No. 659 of 2014 is made absolute in terms of prayers (a) to (c).

copy 16. The Petitioner Companies to lodge a copy of this order and a modified/amended Scheme duly authenticated by the Company Registrar, High Court (O.S.), Bombay, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of the order.

17. Petitioners are directed to file a copy of this order along with a copy of the modified/amended Scheme with the concerned Registrar of Companies, electronically along with E-Form - INC 28 in addition to physical copy as per the provisions of the Companies Act, 1956/2013.

18. The Petitioners in both the Petitions to pay costs of Rs. 10,000/- each to the Regional Director, Western Region, Mumbai. Costs to be paid within four weeks from the date of the order.

19. Filing and issuance of the drawn up order is dispensed with.

20. All concerned regulatory authority to act on a copy of this order along with the Scheme duly authenticated by the Company Registrar, High Court (O.S.), Bombay.

(S.J. Kathawalla J.)

TRUE-COPY
[Signature]
 20/04/2015
MRS. K. M. RANE
 COMPANY REGISTRAR
 HIGH COURT (O.S.)
 BOMBAY

TRUE COPY
[Signature]
 6-4-2015
 Section Officer
 High Court, Appellate Side
 Bombay

SCHEME OF ARRANGEMENT

BETWEEN

MAN INDUSTRIES (INDIA) LIMITED

AND

MAN INFRAPROJECTS LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

**UNDER SECTIONS 391 TO 394 READ WITH SECTION 78 AND SECTIONS 100 TO 103 OF
THE COMPANIES ACT, 1956**



SCHEME OF ARRANGEMENT

BETWEEN

MAN INDUSTRIES (INDIA) LIMITED

AND

MAN INFRAPROJECTS LIMITED

AND

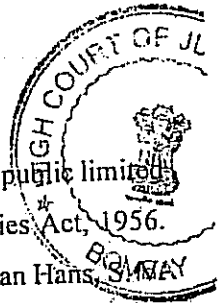
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

**UNDER SECTIONS 391 TO 394 READ WITH SECTION 78 AND SECTIONS 100 TO 103 OF
THE COMPANIES ACT, 1956**

PREAMBLE

A. DESCRIPTION OF COMPANIES

- i) Man Industries (India) Limited (hereinafter referred to as "Man Industries") is a public limited company incorporated on 19th May, 1988 under the provisions of the Companies Act, 1956. The registered office of Man Industries is situated at 101, Man House, Opp. Pawan Hans Road, Vile Parle (West), Mumbai - 400 056.
- ii) Man Infraprojects Limited (hereinafter referred to as "Man Infraprojects") is a public limited company and is a wholly-owned subsidiary of Man Industries, incorporated on 26th September, 2006 under the provisions of the Companies Act, 1956. The registered office of Man Infraprojects is situated at 102, Man House, Opp. Pawan Hans, S. V. Road, Vile Parle (West), Mumbai - 400 056.



B. RATIONALE FOR THE SCHEME OF ARRANGEMENT

- Man Industries is the flagship company of Man Group. The main business line of Man Industries includes manufacturing & coating of large diameter carbon steel pipes and real estate. The real estate business of Man Group is being conducted through Man Infraprojects, a wholly

wholly owned subsidiary of Man Industries, which is now forward integrating into the high value realm of IT parks, SEZ's, residential complexes and commercial complexes.

- The Pipe Business and Real Estate Construction / Development Business each have tremendous growth and profitability potential and require focused leadership and management attention. The nature of risk and competition involved in the respective businesses is distinct and both businesses are capable of attracting a different set of investors, strategic partners, lenders and other stakeholders.
- The management proposes to restructure the businesses into two separate listed companies pursuant to Scheme of Arrangement under Sections 391 to 394 of the Companies Act, 1956. The circumstances and / or reasons and / or grounds that have necessitated and / or justified the Scheme and the advantages thereof are, inter alia, as follows:
 - a) Re-structuring would result in two independent listed companies, which would provide opportunities to the respective businesses to attract different set of investors, strategic partners, lenders and other stakeholders.
 - b) Re-structuring of businesses would enable respective management(s) to concentrate on core businesses and strengthen competencies and provide independent opportunities to increase scale of operations, etc.
 - c) Re-structuring would result in focused management attention to the respective businesses and segregation of businesses with distinct risk-reward profiles.
 - d) Re-structuring would create long term value by unlocking value of the respective businesses and the existing shareholders of Man Industries would be eligible to get equity shares of Man Infraprojects in addition to their existing shareholding in Man Industries.

C. PARTS OF THE SCHEME

This Scheme of Arrangement between Man Industries and Man Infraprojects and their respective shareholders and creditors ("the Scheme") is presented pursuant to the provisions of Sections 391 to 394 read with Section 78 and Sections 100 to 103 and other applicable provisions of the Companies Act, 1956 for (a) transfer of Demerged Undertaking 1 from Man Infraprojects to Man Industries; and (b) transfer of Demerged Undertaking 2 from Man Industries to Man Infraprojects.

This Scheme is divided into the following parts:

- Part A – deals with Definitions and Share Capital
- Part B – deals with Transfer of Demerged Undertaking 1 to Man Industries;
- Part C – deals with Transfer of Demerged Undertaking 2 to Man Infraprojects;
- Part D – deals with Accounting Treatment and Re-organisation of Share Capital;
- Part E – deals with General Terms and Conditions that would be applicable to the Scheme.

PART A
DEFINITIONS AND SHARE CAPITAL

1. **DEFINITIONS**

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- 1.1 **“Act” or “the Act”** means the Companies Act, 1956 any rules made there under and shall include any statutory modification or re-enactment or successor enactment or amendments thereof.
- 1.2 **“Appointed Date”** means the 1st day of April 2013.
- 1.3 **“Board of Directors” or “Board”** means and includes the respective Board of Directors of Man Industries and Man Infraprojects or any committee constituted by such Board of Directors for the purpose of this Scheme.
- 1.4 **“Demerged Undertaking 1”** means the business division of Man Infraprojects engaged in construction / development of residential projects on a going concern basis including assets & liabilities more particularly set-out in Schedule I to this Scheme. Without limiting generality of the foregoing, Demerged Undertaking 1 shall include:
- (a) all statutory licenses, approvals, permissions, no-objection certificates, permits, consents, patents, trademarks, tenancies, offices, quotas, rights, entitlements, privileges, benefits of all contracts / agreements (including, but not limited to, contracts / agreements with vendors, customers, government etc.), all other rights (including, but not limited to, right to use and avail electricity connections, water connections, environmental clearances, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, powers and facilities), relating to or pertaining to the assets / liabilities referred to in Schedule I;
- (b) all rights and licenses, all assignments and grants thereof, all permits, registrations, rights (including rights under any agreement, contracts, applications, letters of intent, or any other contracts), regulatory approvals, entitlements, licenses, municipal permissions, goodwill, approvals, consents, tenancies, easements, advantages, financial assets, hire purchase and lease arrangements, the benefits of guarantees, privileges, all other claims, rights and benefits, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity, water and other services, provisions, funds, benefits of all agreements,

contracts and arrangements and all other interests relating to or pertaining to the assets / liabilities referred to in Schedule I ;

- (c) all investments in equity shares and / or preference shares and / or debentures of, loans and / or advances (including interest thereon) to, Merino Shelters Private Limited;
- (d) permanent employees of Man Infraprojects, if any, relating to or pertaining to Demerged Undertaking 1;
- (e) all earnest monies and / or security deposits in connection with or relating to Demerged Undertaking 1;
- (f) all records, files, papers, engineering and process information, computer programs, manuals, data catalogues, quotations, sales and advertising materials, list of present and former customers and suppliers, customers credit information, customers pricing information and other records, whether in physical form or electronic form in connection with or pertaining to the business referred to in Schedule I.

1.5 "Demerged Undertaking 2" means the real estate business of Man Industries on a going concern basis carried on anywhere in India or outside India, *inter alia* including the business activity of investing, lending, purchase, sale, rent of real estate, participating in various real estate ventures, or other activities relating to such business being carried on by Man Industries on a going concern basis, along with all related assets, liabilities, employees, rights, powers and shall include (without limitation) and in particular the following:

- (a) immovable properties (whether freehold, leasehold or otherwise) more specifically described in **Schedule II** to the Scheme;
- (b) all assets and properties, whether movable or immovable, tangible or intangible, including all rights, title and interest in connection with the land and buildings thereon whether corporeal or incorporeal, leasehold or otherwise, plant and machinery, capital work in progress, advances, deposits, sundry debtors, inventories, cash and bank balances, bills of exchange, other fixed assets, trademarks, brands, and other investments specifically relating to real estate business, Development Rights, advances paid to any parties for acquisition of development rights, loans, inventory and work in progress pertaining to or relatable to Demerged Undertaking 2;
- (c) all known and disclosed debts, borrowings and liabilities as appearing in the books of accounts of Man Industries as on the Appointed Date and relating to Demerged Undertaking 2, and any undisclosed or contingent liabilities arising on and after the Appointed Date till the Effective Date (excluding contingent liabilities pertaining to a period prior to the Appointed Date) and relating to Demerged Undertaking 2;
- (d) all investments in, loans and / or advances (including interest thereon) to, Man Infraprojects Limited;

- (e) all statutory licenses, approvals, permissions, no-objection certificates, permits, consents, patents, trademarks, tenancies, offices, depots, quotas, rights, entitlements, privileges, benefits of all contracts / agreements (including; but not limited to, contracts / agreements with vendors, customers, government etc.), all other rights (including, but not limited to, right to use and avail electricity connections, water connections, environmental clearances, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, powers and facilities), relating to Demerged Undertaking 2;
- (f) all rights and licenses, all assignments and grants thereof, all permits, registrations, rights (including rights under any agreement, contracts, applications, letters of intent, or any other contracts), regulatory approvals, entitlements, licenses, municipal permissions, goodwill, approvals, consents, tenancies, easements, advantages, financial assets, hire purchase and lease arrangements, the benefits of guarantees in relation to the real estate business, privileges, all other claims, rights and benefits, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity, water and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to Demerged Undertaking 2;
- (g) all permanent employees and labour (including contractual staff) of Man Industries relating to or pertaining to Demerged Undertaking 2;
- (h) all earnest monies and / or security deposits in connection with or relating to Demerged Undertaking 2;
- (i) all records, files, papers, engineering and process information, computer programs, manuals, data catalogues, quotations, sales and advertising materials, list of present and former customers and suppliers, customers credit information, customers pricing information and other records, whether in physical form or electronic form in connection with or relating to Demerged Undertaking 2.
- (j) Whether any particular asset or liability should be included as asset or liability of Demerged Undertaking 2 or otherwise shall be decided mutually by the Directors or any committee thereof of Man Industries and Man Infraprojects.

The Reference Balance Sheet of Man Industries and Man Infraprojects as on 1st April 2013, assuming that the Scheme has become effective, is attached as **Schedule III** to this Scheme. The financial values of the Reference Balance Sheet as per Schedule III shall be adjusted, if required, to give effect to Clause 1.5(j) above.

- 1.6 **“Effective Date”** means the date on which the last of the orders, sanctions, approvals, consents, conditions, matters or filings referred to in Clause 27 of this Scheme is complied with or obtained or waived, as the case maybe. Any references in this Scheme to the “date of

coming into effect of this Scheme" or "effectiveness of this Scheme" or "Scheme taking effect" shall mean the Effective Date.

1.7 "High Court" means the High Court of Judicature at Bombay and shall include the National Company Law Tribunal, if applicable.

1.8 "Man Industries" means Man Industries (India) Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 101, Man House, Opp. Pawan Hans, S. V. Road, Vile Parle (West), Mumbai - 400 056.

1.9 "Man Infraprojects" means Man Infraprojects Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 102, Man House, Opp. Pawan Hans, S. V. Road, Vile Parle (West), Mumbai - 400 056.

1.10 "Record Date" means the date to be fixed by the Board of Directors of Man Industries in consultation with the Board of Directors of Man Infraprojects for the purpose of determining the shareholders of Man Industries who shall be entitled to receive consideration as per Clause 13.

1.11 "Remaining Business of Man Industries" means all the activities, operations, businesses, divisions and / or strategic business units of Man Industries excluding Demerged Undertaking 2 as defined under this Scheme. It is clarified that all the assets and liabilities transferred to Man Industries pursuant to Part A of this Scheme shall continue to remain with Man Industries.

1.12 "Remaining Business of Man Infraprojects" means all the activities, operations, businesses, divisions and / or strategic business units of Man Infraprojects excluding Demerged Undertaking 1 as defined under this Scheme.

1.13 "Schedule" shall mean the schedule to this Scheme.

1.14 "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Arrangement in its present form submitted to the High Court or with any modification(s) made under Clause 26 of this Scheme or with such other modifications / amendments as the High Court may direct.

1.15 All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court or in terms of this Scheme shall take effect from the Appointed Date but shall be operative from the Effective Date.

3. SHARE CAPITAL

3.1 The share capital structure of Man Industries as on 31st March 2013 is as follows:

PARTICULARS	AMOUNT (Rs.)
Authorized Capital 8,00,00,000 Equity Shares of Rs. 5/- each	40,00,00,000
TOTAL	40,00,00,000
Issued, Subscribed and Paid-up Capital 5,97,67,055 Equity Shares of Rs. 5/- each fully paid-up	29,88,35,275
TOTAL	29,88,35,275

Subsequent to 31st March, 2013, 26,64,000 equity shares of Rs. 5/- each issued to Employee Welfare Trust under ESOP/ESOS Scheme have been cancelled.

The share capital structure of Man Industries as on 30th June 2013 is as follows:

PARTICULARS	AMOUNT (Rs.)
Authorized Capital 8,00,00,000 Equity Shares of Rs. 5/- each	40,00,00,000
TOTAL	40,00,00,000
Issued, Subscribed and Paid-up Capital 5,71,03,055 Equity Shares of Rs. 5/- each fully paid-up	28,55,15,275
TOTAL	28,55,15,275

Subsequent to 30th June, 2013, there has been no change in the issued, subscribed and paid-up capital of Man Industries.

3.2 The share capital structure of Man Infraprojects as on 31st March 2013 is as follows:

PARTICULARS	AMOUNT (Rs.)
Authorized Capital 5,00,00,000 Equity Shares of Rs.10/- each	50,00,00,000
TOTAL	50,00,00,000
Issued, Subscribed and Paid-up Capital 4,54,50,000 Equity Shares of Rs.10/- each fully paid-up	45,45,00,000
TOTAL	45,45,00,000

Subsequent to 31st March 2013, there has been no change in the issued, subscribed and paid-up capital of Man Infraprojects. The entire share capital of Man Infraprojects is held by Man Industries and its nominees.

PART B

TRANSFER OF DEMERGED UNDERTAKING 1 TO MAN INDUSTRIES

4. TRANSFER AND VESTING OF DEMERGED UNDERTAKING 1 TO MAN INDUSTRIES

4.1 Upon this Scheme coming into effect, and with effect from the Appointed Date, and subject to the provisions of this Scheme in relation to the mode of transfer and vesting, Demerged Undertaking 1 shall, without any further act, instrument or deed, be and stand de-merged from Man Infraprojects and transferred to and vested in or be deemed to be transferred to and vested in Man Industries as a going concern, so as to vest in Man Industries, all the rights, titles and interests pertaining to Demerged Undertaking 1, pursuant to Sections 391 to 394 of the Act and any other relevant provisions of the Act and the order of the High Court sanctioning the Scheme, subject however, to subsisting charges, if any.

4.2 Without prejudice to the provisions of Clause 4.1 above, in respect of such of the assets and properties (whether movable or immovable, tangible or intangible) of Demerged Undertaking 1, including cash in hand, capable of passing by manual delivery or by endorsement and delivery shall be so delivered or endorsed and delivered, as the case may be, and shall upon such delivery or endorsement and delivery, become the assets and properties of Man Industries, without requiring any deed or instrument or conveyance for the same.

4.3 In respect of movable assets other than those specified in Clause 4.2 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, Semi-Government, local and other authorities and bodies, customers and other persons, the following methodology shall to the extent possible be followed:

Man Infraprojects shall give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the High Court having sanctioned this Scheme, the said debt, loan, advance or deposit be paid to or made good to or held on account of Man Industries and that the right of Man Infraprojects to recover or realise the same stands extinguished.

4.4 Upon this Scheme coming into effect, and with effect from the Appointed Date, and subject to the provisions of this Scheme, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description of Man Infraprojects pertaining or relating to Demerged Undertaking 1 shall, without any further act, instrument or deed, be and stand

transferred from Man Infraprojects and transferred to and vested in or be deemed to be transferred to and vested in and assumed by Man Industries so as to become as and from the Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of Man Industries, pursuant to Sections 391 to 394 of the Act and any other relevant provisions of the Act and the order of the High Court sanctioning the Scheme, and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause.

4.5 All permits, no objection certificates, contracts, permissions, approvals, consents, rights, entitlements, licenses, including those relating to tenancies, copyrights, intellectual property rights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to Demerged Undertaking 1 to which Man Infraprojects is a party or to the benefit of which Man Infraprojects may be eligible and which are subsisting or having effect on the Effective Date, shall stand transferred to and vested in Man Industries without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of Man Industries upon the vesting and transfer of Demerged Undertaking 1 pursuant to this Scheme, and shall be and remain in full force, operative and effectual for the benefit of Man Industries, and may be enforced by Man Industries as fully and effectually as if, instead of Man Infraprojects, Man Industries had been the original party or beneficiary or obligee thereto.

4.6 This part of the Scheme has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) of the Income-tax Act, 1961. If any terms or provisions of the Scheme is / are inconsistent with the provisions of Section 2(19AA) of the Income-tax Act, 1961, the provisions of Section 2(19AA) of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(19AA) of the Income-tax Act, 1961; such modification to not affect other parts of the Scheme.

5. **CONSIDERATION**

The entire equity share capital of Man Infraprojects is held by Man Industries. Accordingly, there would be no issue of shares or payment of any consideration by Man Industries for transfer of Demerged Undertaking 1.

6. **CONTRACTS, DEEDS, ETC.**

6.1 Upon this Scheme coming into effect, and subject to the provisions of this Scheme, all contracts, licenses, deeds, bonds, agreements, incentives, benefits, exemptions, entitlements, arrangements of whatsoever nature relating to Demerged Undertaking 1 to which Man

Infraprojects is a party or to the benefit of which Man Infraprojects may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on or against or in favour, as the case may be, of Man Industries and may be enforced as fully and effectually as if, instead of Man Infraprojects, Man Industries had been a party or beneficiary or obligee thereto.

6.2 Man Industries may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmations or other writings, confirmations or novations or tripartite arrangements with any party to any contract or arrangement to which Man Infraprojects is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. Man Industries shall, under the provisions of this Scheme, be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of Man Infraprojects and relating to Demerged Undertaking 1 and to carry out or perform all such formalities or compliance referred to above on the part of Man Infraprojects to be carried out or performed, to give effect to the provisions of this Scheme.

7. STAFF, WORKMEN AND EMPLOYEES

7.1 On the Scheme becoming effective, all staff, workmen and employees of Man Infraprojects (excluding the contractual staff) relating to Demerged Undertaking 1 and in service on the Effective Date shall be deemed to have become staff, workmen and employees of Man Industries with effect from the Effective Date or joining date whichever is later, without any break, discontinuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with Man Industries shall not be less favourable than those applicable to them with reference to Man Infraprojects on the Effective Date.

7.2 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of such staff, workmen and employees of Man Infraprojects relating to Demerged Undertaking 1 shall become trusts / funds of Man Industries for all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contributions to the said 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 and obligations of Man Infraprojects in relation to such Fund or Funds shall become those of Man Industries.

7.3 It is clarified that the services of the staff, workmen and employees of Demerged Undertaking 1 will be treated as having been continuous for the purpose of the said Fund or Funds.

8. LEGAL PROCEEDINGS

- 8.1 If any suit, appeal, action or legal proceeding of whatever nature by or against Man Infraprojects and relating to Demerged Undertaking 1 is pending on or before the Effective Date, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the demerger or by anything contained in this Scheme, but the said suit, appeal, action or legal proceeding may be continued, prosecuted and enforced by or against Man Industries in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against Man Infraprojects as if this Scheme had not been made.
- 8.2 On and from the Effective Date, Man Industries shall and may, if required, initiate any legal proceedings in relation to Demerged Undertaking 1.

9. CONDUCT OF BUSINESS

- 9.1 With effect from the Appointed Date and up to and including the Effective Date, Man Infraprojects;
- i) shall be deemed to have been carrying on all business activities relating to Demerged Undertaking 1 and stand possessed of all the assets, rights, title, interest and authorities of Demerged Undertaking 1 for and on account of, and in trust for Man Industries;
 - ii) shall ensure that all profits or incomes accruing or losses or expenditures arising or incurred by it from the Appointed Date till the Effective Date, relating to Demerged Undertaking 1, shall for all purposes, be treated as the profits, incomes, taxes or losses or expenditures as the case may be, of Man Industries; and
 - iii) shall carry on the business of Demerged Undertaking 1 with reasonable care and diligence in the ordinary course of business, and in the same manner as it had been doing hitherto and Man Infraprojects shall not alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof of Demerged Undertaking 1 except in the ordinary course of business without the prior consent of Man Industries.
- 9.2 Man Industries shall be entitled, pending the sanction of the Scheme, to apply to the Central Government, and all other agencies, departments and authorities concerned as are necessary under any law for such registrations, consents, approvals and sanctions which Man Industries may require to carry on the business of Demerged Undertaking 1.

10. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of Demerged Undertaking 1 under Clause 4 of this Scheme shall not affect any transactions or proceedings already concluded by Man Infraprojects relating to Demerged Undertaking 1 on or before the Appointed Date or after the Appointed Date till the

Effective Date, to the end and intent that Man Industries accepts and adopts all acts, deeds and things made, done and executed by Man Infraprojects as acts, deeds and things made, done and executed by or on behalf of Man Industries.

11. REMAINING BUSINESS

Man Infraprojects shall continue to carry on its business activities, other than Demerged Undertaking 1, and all the assets, liabilities and obligations pertaining to the businesses other than Demerged Undertaking 1 arising prior to, on or after the Appointed Date, shall continue to belong to, be vested in and be managed by Man Infraprojects.

PART C

TRANSFER OF DEMERGED UNDERTAKING 2 TO MAN INFRAPROJECTS

12. TRANSFER AND VESTING OF DEMERGED UNDERTAKING 2 TO MAN INFRAPROJECTS

12.1 Upon this Scheme coming into effect, and with effect from the Appointed Date, and subject to the provisions of this Scheme in relation to the mode of transfer and vesting, Demerged Undertaking 2 shall, without any further act, instrument or deed, be and stand de-merged from Man Industries and transferred to and vested in or be deemed to be transferred to and vested in Man Infraprojects as a going concern, so as to vest in Man Infraprojects, all the rights, titles and interests pertaining to Demerged Undertaking 2, pursuant to Sections 391 to 394 of the Act and any other relevant provisions of the Act and the order of the High Court sanctioning the Scheme, subject however, to subsisting charges, if any.

12.2 Without prejudice to the provisions of Clause 12.1 above, in respect of such of the assets and properties (whether movable or immovable, tangible or intangible) of Demerged Undertaking 2, including cash in hand, capable of passing by manual delivery or by endorsement and delivery shall be so delivered or endorsed and delivered, as the case may be, and shall upon such delivery or endorsement and delivery, become the assets and properties of Man Infraprojects, without requiring any deed or instrument or conveyance for the same.

12.3 In respect of movable assets other than those specified in Clause 12.2 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, Semi-Government, local and other authorities and bodies, customers and other persons, the following methodology shall to the extent possible be followed:

Man Industries shall give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the High Court having sanctioned this Scheme, the said debt, loan, advance or deposit be paid to or made good to or held on account of Man

Infraprojects and that the right of Man Industries to recover or realise the same stands extinguished.

- 12.4 Upon this Scheme coming into effect, and with effect from the Appointed Date, and subject to the provisions of this Scheme, debts and liabilities (as provided in Clause 1.5(c)), duties and obligations of every kind, nature and description of Man Industries pertaining or relating to Demerged Undertaking 2 shall, without any further act, instrument or deed, be and stand transferred from Man Industries and transferred to and vested in or be deemed to be transferred to and vested in and assumed by Man Infraprojects so as to become as and from the Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of Man Infraprojects, pursuant to Sections 391 to 394 of the Act and any other relevant provisions of the Act and the order of the High Court sanctioning the Scheme, and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause.
- 12.5 All permits, no objection certificates, contracts, permissions, approvals, consents, rights, entitlements, licenses, including those relating to tenancies, copyrights, intellectual property rights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to Demerged Undertaking 2 to which Man Industries is a party or to the benefit of which Man Industries may be eligible and which are subsisting or having effect on the Effective Date, shall stand transferred to and vested in Man Infraprojects without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of Man Infraprojects upon the vesting and transfer of Demerged Undertaking 2 pursuant to this Scheme, and shall be and remain in full force, operative and effectual for the benefit of Man Infraprojects, and may be enforced by Man Infraprojects as fully and effectually as if, instead of Man Industries, Man Infraprojects had been the original party or beneficiary or obligee thereto.
- 12.6 This part of the Scheme has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) of the Income-tax Act, 1961. If any terms or provisions of the Scheme is/are inconsistent with the provisions of Section 2(19AA) of the Income-tax Act, 1961, the provisions of Section 2(19AA) of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(19AA) of the Income-tax Act, 1961; such modification to not affect other parts of the Scheme.

13. CONSIDERATION

- 13.1 Upon this Scheme coming into effect, and in consideration of the transfer, Man Infraprojects shall, without any further application or deed, issue and allot its fully paid-up equity shares,

after sub-division of its equity shares as per Clause 23 of the Scheme, on a proportionate basis to all the shareholders of Man Industries whose names appear in the register of members of Man Industries as on the Record Date, or his / her heirs, executors, administrators or successors-in-title, as the case may be, on the following basis:

"For every 1 (One) fully paid-up equity share of Rs. 5/- each held by the equity shareholders in Man Industries on the Record Date, 1 (One) fully paid-up equity share of Rs. 5/- each of Man Infracorjects".

13.2 The Equity Shares to be issued to the members of Man Industries under Clause 13.1 shall be subject to the terms of the Memorandum and Articles of Association of Man Infracorjects and shall rank pari passu with the existing equity shares of Man Infracorjects in all respects.

13.3 The equity shares shall be issued in dematerialized form to those shareholders who hold shares of Man Industries in dematerialized form, in to the account in which Man Industries shares are held or such other account as is intimated by the shareholders to Man Industries and / or its Registrar before the Record Date. All those shareholders who hold shares of Man Industries in physical form shall also have the option to receive the equity shares, as the case may be, in dematerialized form provided the details of their account with the Depository Participant are intimated in writing to Man Industries and / or its Registrar before the Record Date. The shareholders who fail to provide such details shall be issued equity shares in physical form.

13.4 The Board of Directors of Man Infracorjects shall, if and to the extent required, apply for and obtain any approvals from Reserve Bank of India, Foreign Investment Promotion Board, and / or concerned Government / Regulatory authorities and undertake necessary compliance for the issue and allotment of equity shares to the members (including non-resident shareholders) of Man Industries pursuant to Clause 13.1 of the Scheme.

13.5 The equity shares of Man Infracorjects to be issued to the members of Man Industries pursuant to Clause 13.1 of this Scheme will be listed and / or admitted to trading in terms of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 on all the Stock Exchanges on which shares of Man Industries are listed on the Effective Date. Man Infracorjects shall enter into such arrangements and give such confirmations and / or undertakings as may be necessary in accordance with the applicable laws or regulations for Man Infracorjects with the formalities of the said Stock Exchanges. The equity shares of Man Infracorjects allotted pursuant to the Scheme shall remain frozen in the depositories system till listing and trading permission is given by the designated Stock Exchange(s). There shall be no change in the shareholding pattern or control in Man Infracorjects between the Record Date and the listing which may affect the status of approvals received from the Stock Exchanges.

- 13.6 The equity shares issued pursuant to Clause 13.1 above is an integral part hereof and shall be deemed to have been carried out without any further act or deed by Man Infraprojects as if the procedure laid down under Section 81(1A) of the Act or corresponding provisions under the Companies Act, 2013, as may be applicable, and any other applicable provisions of the Act were duly complied with.
- 13.7 It is hereby clarified that Man Infraprojects shall comply with the lock-in requirements, as may be applicable, as provided in Part B of Annexure 1 of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013.

14. REDUCTION IN SHARE CAPITAL OF MAN INFRAPROJECTS

- 14.1 Upon this Scheme coming into effect and upon issue of equity shares in accordance with Clause 13 above, investments made by Man Industries in Man Infraprojects in the form of equity shares shall automatically stand cancelled, without any further act or deed.
- 14.2 The reduction of equity shares of Man Infraprojects shall be effected as an integral part of the Scheme in accordance with the provisions of Sections 100 to 103 and any other applicable provisions of the Act and the order of the jurisdictional High Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act for the purpose of confirming the reduction. The reduction would not involve either a diminution of liability in respect of the unpaid share capital or return of paid-up share capital, and the provisions of Section 101 of the Act will not be applicable. Notwithstanding the foregoing, it is clarified for the avoidance of doubt that Man Infraprojects shall not be required to add "And Reduced" as suffix to its name.

15. CONTRACTS, DEEDS, ETC.

- 15.1 Upon this Scheme coming into effect, and subject to the provisions of this Scheme, all contracts, licenses, deeds, bonds, agreements, incentives, benefits, exemptions, entitlements, arrangements pertaining to Demerged Undertaking 2 to which Man Industries is a party or to the benefit of which Man Industries may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on or against or in favour, as the case may be, of Man Infraprojects and may be enforced as fully and effectually as if, instead of Man Industries, Man Infraprojects had been a party or beneficiary or obligee thereto.

15.2 Man Infraprojects may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmations or other writings, confirmations or novations or tripartite arrangements with any party to any contract or arrangement pertaining to Demerged Undertaking 2 to which Man Industries is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. Man Infraprojects shall, under the provisions of this Scheme, be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of Man Industries and relating to Demerged Undertaking 2 and to carry out or perform all such formalities or compliance referred to above on the part of Man Industries to be carried out or performed, to give effect to the provisions of this Scheme.

16. STAFF, WORKMEN AND EMPLOYEES

16.1 On the Scheme becoming effective, all staff, workmen and employees of Man Industries (including the contractual staff) relating to Demerged Undertaking 2 and in service on the Effective Date shall be deemed to have become staff, workmen and employees of Man Infraprojects with effect from the Effective Date or joining date whichever is later, without any break, discontinuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with Man Infraprojects shall not be less favourable than those applicable to them with reference to Man Industries on the Effective Date.



16.2 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of such staff, workmen and employees of Man Industries relating to Demerged Undertaking 2 shall become trusts / funds of Man Infraprojects for all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contributions to the said 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 of Man Industries in relation to such Fund or Funds shall become those of Man Infraprojects.

16.3 It is clarified that services of the staff, workmen and employees of Demerged Undertaking 2 of Man Industries will be treated as having been continuous for the purpose of the said Fund or Funds.

17. LEGAL PROCEEDINGS

- 17.1 If any suit, appeal, action or legal proceeding of whatever nature by or against Man Industries and relating to Demerged Undertaking 2 is pending on or before the Effective Date, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the demerger or by anything contained in this Scheme, but the said suit, appeal, action or legal proceeding may be continued, prosecuted and enforced by or against Man Infraprojects in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against Man Industries as if this Scheme had not been made.
- 17.2 On and from the Effective Date, Man Infraprojects shall and may, if required, initiate any legal proceedings in relation to Demerged Undertaking 2.

18. CONDUCT OF BUSINESS

- 18.1 With effect from the Appointed Date and up to and including the Effective Date, Man Industries;
- i) shall be deemed to have been carrying on all business activities relating to Demerged Undertaking 2 and stand possessed of all the assets, rights, title, interest and authorities of Demerged Undertaking 2 for and on account of, and in trust for Man Infraprojects;
 - ii) shall ensure that all profits or incomes accruing or losses or expenditures arising or incurred by it from the Appointed Date till the Effective Date, relating to Demerged Undertaking 2, shall for all purposes, be treated as the profits, incomes, taxes or losses or expenditures as the case may be, of Man Infraprojects; and
 - iii) shall carry on the business of Demerged Undertaking 2 with reasonable care and diligence in the ordinary course of business, and in the same manner as it had been doing hitherto and Man Industries shall not alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof Demerged Undertaking 2 except in the ordinary course of business without the prior consent of Man Infraprojects.
- 18.2 Man Infraprojects shall be entitled, pending the sanction of the Scheme, to apply to the Central Government, and all other agencies, departments and authorities concerned as are necessary under any law for such registrations, consents, approvals and sanctions which Man Infraprojects may require to carry on the business of Demerged Undertaking 2.

19. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of Demerged Undertaking 2 under Clause 12 of this Scheme shall not affect any transactions or proceedings already concluded by Man Industries relating to Demerged Undertaking 2 on or before the Appointed Date or after the Appointed Date till the Effective Date, to the end and intent that Man Infracorjects accepts and adopts all acts, deeds and things made, done and executed by Man Industries as acts, deeds and things made, done and executed by or on behalf of Man Infracorjects.

20. **REMAINING BUSINESS**

Man Industries shall continue to carry on its business activities, other than Demerged Undertaking 2, and all the assets, liabilities and obligations pertaining to the businesses other than Demerged Undertaking 2 arising prior to, on or after the Appointed Date shall continue to belong to, be vested in and be managed by Man Industries.

PART D

ACCOUNTING TREATMENT AND RE-ORGANISATION OF SHARE CAPITAL

21. **ACCOUNTING TREATMENT IN THE BOOKS OF MAN INFRAPROJECTS**

On the Scheme becoming effective, Man Infracorjects shall provide for the following accounting treatment in its books of accounts:-

- 21.1 Man Infracorjects shall deduct the book values of the assets and liabilities pertaining to Demerged Undertaking 1 vested in Man Industries from the respective assets and liabilities in its books of account.
- 21.2 Man Infracorjects shall record the assets and liabilities (including any additions and accretions thereto) pertaining to Demerged Undertaking 2 vested in it pursuant to this Scheme, at their respective book values thereof, as appearing in the books of Man Industries (excluding revaluation, if any);
- 21.3 Man Infracorjects shall reduce its share capital pursuant to Clause 14 of this Scheme;
- 21.4 Man Infracorjects shall credit to its share capital account, the aggregate face value of the equity shares issued by it pursuant to Clause 13 of this Scheme;
- 21.5 Inter-corporate deposits / loans and advances / investments / balance, if any, arising pursuant to Clause 21.1, Clause 21.2 and Clause 21.3, shall stand cancelled and there shall be no further obligation / outstanding in that behalf;
- 21.6 The difference between the Net Assets as per Clause 21.1 and Net Assets as per Clause 21.2, after adjusting for Clause 21.4 and Clause 21.5, shall be recorded as Capital Reserve, if the difference is a credit balance, or as Goodwill, if the difference is a debit balance. Capital

Reserve, if any, shall be adjusted against the debit balance of the Profit & Loss Account of Man Infraprojects.

22. ACCOUNTING TREATMENT IN THE BOOKS OF THE MAN INDUSTRIES

On the Scheme becoming effective, Man Industries shall provide for the following accounting treatment in its books of accounts:

- 22.1 Man Industries shall deduct the book values of assets and liabilities pertaining to Demerged Undertaking 2 vested in Man Infraprojects from the respective assets and liabilities in its books of account;
- 22.2 Man Industries shall record the assets and liabilities (including any additions and accretions thereto) pertaining to Demerged Undertaking 1 vested in it pursuant to this Scheme, at their respective book values thereof, as appearing in the books of Man Infraprojects (excluding revaluation, if any);
- 22.3 Inter-corporate deposits / loans and advances / investments / balance if any, arising pursuant to Clause 22.1 and Clause 22.2, shall stand cancelled and there shall be no further obligation / outstanding in that behalf;
- 22.4 The difference between the Net Assets as per Clause 22.1 and Net Assets as per Clause 22.2, after adjusting for Clause 22.3, shall, if the difference is a debit balance, be adjusted against Securities Premium Account to the extent available, followed by balance in the General Reserve Account to the extent available, followed by balance in the Profit & Loss Account. If the difference is a credit balance, the same shall be recorded as Capital Reserve.

23. RE-ORGANISATION OF SHARE CAPITAL OF MAN INFRAPROJECTS

- 23.1 Upon the Scheme becoming effective, the equity shares of Man Infraprojects shall be subdivided from Rs. 10/- each to Rs. 5/- each pursuant to provisions of Section 94, 394 of the Act or corresponding provisions under the Companies Act, 2013, as may be applicable, and other applicable provisions of the Act. Accordingly, the Authorised Capital of Man Infraprojects shall be modified to that effect by just filing requisite forms and no separate procedure shall be followed under the Act.

Consequently, the Memorandum & Articles of Association of Man Infraprojects shall without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 16, 31, 94, 394 of the Act or corresponding provisions under the Companies Act, 2013, as may be applicable, and other applicable provisions of the Act as follows:

- (a) The existing capital Clause V.(a) contained in the Memorandum of Association of Man Infraprojects shall read as under:

"The Authorised Share Capital of the Company is Rs. 50,00,00,000/- (Rupees Fifty Crores Only) divided into 10,00,00,000 (Ten Crores) Equity Shares of Rs.5/- (Rupees Five) each.."

- (b) The existing capital Clause 3(a) contained in the Articles of Association of Man Infraprojects shall read as under:

"The Authorised Share Capital of the Company is Rs 50,00,00,000/-(Rupees Fifty Crores Only) divided into 10,00,00,000 (Ten Crores Only) Equity Shares of Rs.5/- (Rupees Five Only) each, with power to increase and reduce the capital and to divided the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions, as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as such may be for the time being provided by the regulations of the Company."

Pursuant to this Scheme, Man Infraprojects shall file the requisite forms with the Registrar of Company, Maharashtra at Mumbai for alteration of its authorised capital in accordance with the Clause 23.1 of this Scheme.

It is hereby clarified that for the purposes of Clause 23, the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting the above amendment or increase in authorised share capital of Man Infraprojects, and no further resolution under Section 16, 31, 94 and 394 of the Act or corresponding provisions under the Companies Act, 2013, as may be applicable, or any other applicable provisions of the Act, would be required to be separately passed.

24. AGREEMENT

Man Infraprojects will have the right to use "Man Infraprojects" logo upto the Effective Date and suitable agreement may be entered into in this regard.

PART E

GENERAL TERMS AND CONDITIONS

25. APPLICATIONS TO THE HIGH COURT

Man Infraprojects and Man Industries shall, with all reasonable dispatch, make necessary applications / petitions, under Sections 391 to 394 read with Section 78 of the Act or corresponding provisions under the Companies Act, 2013, as may be applicable, and Sections 100 to 103 of the Act and other applicable provisions of the Act to the High Court(s) for seeking sanction of this Scheme.

26. MODIFICATIONS / AMENDMENTS TO THE SCHEME

Man Infraprojects and Man Industries by their respective Boards of Directors or such other person or persons, as the respective Boards of Directors may authorize including any committee or sub-committee thereof, may make and / or consent to any modifications / amendments to this Scheme or to any conditions or limitations that the court or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them or the Board, including the withdrawal of this Scheme and to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith. The power of the Board to modify / amend the Scheme shall be subject to the approval of the High Court.

27. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

The Scheme is conditional upon and subject to:

- 27.1 The requisite consent, approval or permission of the Central Government, SEBI, concerned Stock Exchanges and any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme;
- 27.2 Approval of the Scheme by the requisite majority of the respective shareholders and / or creditors of Man Infraprojects and Man Industries as required under the Act and as may be directed by the High Court. Further, as per guidelines issued by SEBI, as amended and updated from time to time, Man Industries will provide for e-voting by public shareholders through postal ballot and that the Scheme shall be acted upon only if the votes cast by public shareholders in favor of the Scheme are more than the number of votes cast by public shareholders against it;
- 27.3 Sanctions and Orders under the provisions of the Act being obtained by Man Infraprojects and Man Industries from the High Court;
- 27.4 Certified copies of the orders of the High Court, sanctioning the Scheme being filed with the Registrar of Companies, Maharashtra at Mumbai by Man Infraprojects and Man Industries.



28. COSTS

The Stamp Duty payable on the Order of the High Court sanctioning the Scheme will be paid by Man Infraprojects. However, Man Industries and Man Infraprojects shall bear & pay all the legal fees, charges and compliance costs (including fees to High Court, Corporate Law authorities, fees of Merchant Bankers etc.) in regard to the Scheme in 60:40 proportion.

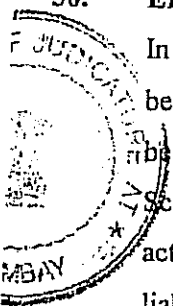
29. GENERAL

Upon the sanction of this Scheme and upon this Scheme becoming effective, the following shall be deemed to have occurred on the Appointed Date and become effective and operative only in the sequence and in the order mentioned hereunder:

- i) Transfer of Demerged Undertaking 1 into Man Industries contemplated under Part B of this Scheme;
- ii) Transfer of Demerged Undertaking 2 into Man Infraprojects contemplated under Part C of this Scheme.
- iii) Reduction in share capital of Man Infraprojects contemplated under Part C of this Scheme.

30. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in Clause 27 above not being obtained (unless otherwise released by the Board of Directors) and / or the Scheme not being sanctioned by the High Court or such other competent authority as aforesaid, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.



~~TRUE-COPY~~
30/09/2015
Mrs. R. M. RANE
COMPANY REGISTRAR
HIGH COURT (O.S.)
BOMBAY

Partner.

SCHEDULE I

Assets and Liabilities of Demerged Undertaking 1 to be transferred to Man Industries

Particulars	Rs. In lakhs
Non-Current Liabilities	
- Other Long Term Liabilities	28.64
- Long Term Provision	3.40
Current Liabilities	
- Trade Payable	42.59
- Other Current Liabilities	805.51
- Short Term Provision	0.09
Non-Current Assets	
- Tangible Assets	177.62
- Non-Current Investments	10,011.49
- Long Term Loans & Advances	5,546.64
- Other Non-Current Assets	1,793.46
Current Assets	
- Inventories	1,108.80
- Trade Receivables	600.56
- Short Term Loans & Advances	52.92



Particulars	Approximate Area in Sq. Mtrs.
Man Dune, 6th & 7th Floor, F. P. No. 455, TPS III, CTS No. F/414, 24th Road, Bandra (West), Mumbai	2,564 Sq. Ft.

SCHEDULE II

Details of Assets pertaining to Demerged Undertaking 2 and to be transferred to Man Infraprojects Ltd.

Particulars	Approximate Area	Rs. In lakhs
15-PU-3, Scheme No.-54, A. B. Road, Indore-452008 (M.P.)	504 Sq. Mtrs.	162.87
Furniture & Fixture at Man House		71.62
Motor Car-Jaguar		34.07
Immovable property 742 Sq Ft. situated at Man Excellenza, Plot no.106, S.V. Road, Vile Parle West, Mumbai 400056.	742 Sq. Ft.	256.00
Cash and Bank Balance		721.06
Short Term Loans and advances		17.00

Details of Liability pertaining to Demerged Undertaking 2 and to be transferred to Man Infraprojects Ltd.

Particulars	Rs. In lakhs
Other Long Term Liability	36.45



SCHEDULE III

Reference Balance Sheet of Man Industries and Man Infraprojects pursuant to the Scheme of Arrangement as on 1st April 2013

Particulars	Man Industries	Man Infraprojects
	Rs. in lakhs	Rs. in lakhs
<u>Equity & Liabilities</u>		
Share Capital	2,988.35	2,855.15
Reserves and Surplus		
- Securities Premium Account	--	120.00
- General Reserve	908.32	--
- Capital Reserve	--	14,876.35
- Surplus in Profit & Loss Account	46,964.67	--
Non-Current Liabilities		
- Long Term Borrowings	29,856.75	--
- Deferred Tax Liability	5,258.78	--
- Other Long Term Liabilities	326.41	86.31
- Long Term Provision	1,296.43	0.50
Current Liabilities		
- Short Term Borrowings	23,765.94	--
- Trade Payables	22,401.57	66.52
- Other Current Liabilities	7,406.62	335.30
- Short Term Provision	2,086.46	--
Total	1,43,260.30	18,340.13
Non-Current Assets		
- Tangible & Intangible Assets	39,247.60	277.73
- Capital Work in Progress	326.43	--
- Non-Current Investments	10,087.61	256.00
- Long Term Loans & Advances	14,431.52	1,783.54
- Other Non-Current Assets	7,092.00	0.53
Current Assets		
- Current Investments	1,070.59	--
- Inventories	18,379.05	13,719.62
- Trade Receivables	30,435.57	1,252.57

- Cash & Bank Balance	16,152.56	724.22
- Short Term Loans & Advances	5,104.62	325.03
- Other Current Assets	932.75	0.89
Total	1,43,260.30	18,340.13

~~TRUE COPY~~

Done
20/04/2015

Mrs. K. M. RANE
COMPANY REGISTRAR
HIGH COURT (O.S.)
BOMBAY

TRUE COPY
KAM...

Amal

Partner.

CERTIFIED TO BE A TRUE COPY
this 14th day of May 2015

Done
20/05/2015
For Registrar (O.S.) / Prothonotary
and Senior Master, High Court, Bombay

AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO. 658 OF 2014

IN THE MATTER of Companies Act, 1956 (or re - enactment thereof upon effectiveness of the Companies Act, 2013)

AND

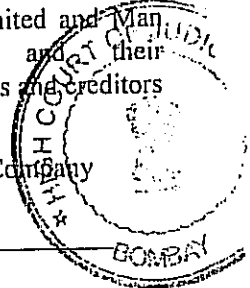
IN THE MATTER of Section 391 to 394 read with Section 78 (corresponding provisions u/s 52 of the Companies Act, 1956 (or any corresponding provisions of the Companies Act, 2013 as may be notified)

AND

IN THE MATTER OF Scheme of Arrangement between Man Industries (India) Limited and Man Infraprojects Limited and their respective shareholders and creditors

Man Industries (India) Limited
Petitioner Company

CERTIFIED COPY OF



Authenticated Copy of the Minutes of the Order
Dated 20th March, 2015 alongwith amended Scheme

Applied On : 24/3/15
Section Writer / Comparer : M. Navel
Examined By : [Signature] 12/3/15
No. Of Pages : 38 pgs
Further Charges : 95/- Paid On:
No. Of Copies : 5
Ready On : 4 MAY 2015
Delivered On : 14/5/15

4 MAY 2015

M/s. Kanga and Company
Advocates for the Petitioner Company.
Readymoney Mansion,
43, Veer Nariman Road, Fort,
Mumbai - 400 001.

Applied On : 29/04/2015
30/04/2015
[Signature]
30 APR 2015