

SCHEME OF AMALGAMATION

OF

STOPAK INDIA PRIVATE LIMITED

(TRANSFEROR COMPANY)

WITH

SIGNODE INDIA LIMITED

(TRANSFeree COMPANY)

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

Under Sections 230 to 232 of the Companies Act, 2013

PREAMBLE

This Scheme of Amalgamation ("**Scheme**") is presented pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 for amalgamation of Stopak India Private Limited ("**Transferor Company**"), a Wholly Owned Subsidiary with its Holding Company, Signode India Limited ("**Transferee Company**").

For Stopak India Private Limited


Director

For Signode India Limited


Company Secretary

This Scheme (as defined below) is divided into the following parts:

- (i) **Part A** –Introduction and definition of the terms used in this Scheme and setting out the share capital of the Transferor Company and the Transferee Company;
- (ii) **Part B** – deals with the transfer and vesting of the Undertaking of the Transferor Company to and in the Transferee Company;
- (iii) **Part-C** deals with cancellation of shares and accounting treatment in the books of the Transferee Company; and
- (iv) **Part D** –deals with the dissolution of the Transferor Company and the general terms and conditions applicable to this Scheme and other matters consequential and integrally connected thereto

For Stopak India Private Limited

Director

For Signode India Limited

Company Secretary

PART -A

1. INTRODUCTION:

1.1 “STOPAK INDIA PRIVATE LIMITED”, (hereinafter referred to as “**STOPAK INDIA**”/“**Transferor Company**”) was incorporated under the Companies Act, 1956 on May 8, 2008, as a private limited company with the Corporate Identity Number U21024KA2008PTC046375 in the State of Karnataka with the name and style of “**STOPAK INDIA PRIVATE LIMITED**”. Subsequently, with the approval of Central Government, the Transferor Company had changed its Registered Office from the State of Karnataka to the State of Telangana and office at 3rd Floor, Jyothi Majestic, H. No.,8-2-120/84, Road No.2, Banjara Hills, Hyderabad- 500034 pursuant to issuance of fresh Certificate of Incorporation (CIN: U21024TG2008PTC146404) consequent upon change of Registered Office dated November 28, 2020. The present Registered Office of the Transferor Company is situated at 3rd Floor, Jyothi Majestic, H. No.,8-2-120/84, Road No.2, Banjara Hills, Hyderabad- 500034. The Transferor Company is a wholly owned subsidiary of the Transferee Company and is engaged in the business of manufacture, trade, export and import of packaging products for bulk packaging industry and other related products, services and activities.

1.2 “SIGNODE INDIA LIMITED”, (hereinafter referred to as “**SIGNODE INDIA**”/“**Transferee Company**”) was incorporated on August 13, 2003 under the provisions of the Companies Act, 1956 in the name and style of “**STRAPEX PACKAGING INDIA LIMITED**” (CIN: U74950MH2003PLC141730) in the State of Maharashtra. The Company changed its name from Strapex Packaging India Limited to “**STRAPEX INDIA LIMITED**” pursuant to fresh Certificate of Incorporation consequent upon change of name dated September 24, 2004 and further changed to “**SIGNODE INDIA LIMITED**” pursuant to fresh Certificate of Incorporation consequent upon change of name dated August 23, 2013. Subsequently, with the approval of Central Government, the Transferee Company had changed its Registered Office from the State of Maharashtra to the State of Andhra Pradesh and office at 3rd Floor, Jyothi Majestic,

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Director

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Company Secretary

H. No., 8-2-120/84, Road No.2, Banjara Hills, Hyderabad-500034 pursuant to issuance of fresh Certificate of Incorporation (CIN: U74950AP2003PLC091521) consequent upon change of Registered Office dated December 9, 2013. Subsequently with the creation of the State of Telangana, the CIN of the Company was changed to U74950TG2003PLC091521. The Registered Office of the Transferee Company is currently situated at 3rd Floor, Jyothi Majestic, H. No., 8-2-120/84, Road No.2, Banjara Hills, Hyderabad- 500034. The Transferee Company is an unlisted public limited company. The Transferee Company is engaged in the business as traders, manufacturers, producers, assemblers, dealers, importers, exporters, stockists, distributors, agents, fabricators, service providers and consultants of packaging materials, tools, equipment, supplies and systems.

2. RATIONALE FOR THE SCHEME

The Board of Directors (defined herein) of the Transferor Company and the Transferee Company believe that the following benefits will accrue, pursuant to the amalgamation of the Transferor Company into the Transferee Company:

- a. Signode group is undergoing a fundamental change in each country from a decentralized organization to a more centralized functional organization following the 'One Signode Brand' mission. In India, Signode group is targeting to have one legal entity and combine the operations. Signode group have already merged multiple legal entities to one legal entity in Netherlands, U.K., Ireland, Denmark, U.S.A. and have started to do the same in Germany, France, Finland, Sweden and other countries where it has operations.
- b. Simplified management structure, leading to better administration and reduction in costs from more focused operational efforts, rationalisation, standardisation and simplification of business processes, and the elimination of duplication of administrative expenses.
- c. Greater integration and financial strength for the amalgamated entity, which would result in maximising overall shareholder value and improve the financial position of the amalgamated entity.
- d. The amalgamation would lead to greater and efficient use of infrastructure facilities and optimum utilisation of the available resources resulting in substantial reduction in

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Director

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multiple compliances and would facilitate focused management attention, provide leadership vision and facilitate efficiency in operations.

e. As part of the Signode group's holistic approach to simplify its global legal entity footprint, the Signode group intends to eliminate identified companies which may not be required resulting in simplified group structure. The merger would also facilitate strategic shareholding alignment and, efficient streamlining of business.

f. Improved organizational capability and leadership, arising from the pooling of human capital who have the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.

g. The consolidation of operations of Transferor Company and Transferee Company by way of amalgamation will lead to superior deployment of brand promotion, sales and distribution strategies and create a consolidated and diversified base for future growth of the Transferee Company.

h. This Scheme is in the interest and benefit of shareholders, creditors and there is no likelihood that any shareholder or creditor of Transferor Company and Transferee Company would be prejudiced as a result of this Scheme.

In view of the aforesaid, the Board of Directors of the Transferee Company and the Board of Directors of the Transferor Company have considered the Scheme, whereunder, the entire Undertaking (defined herein) and business of the Transferor Company would be transferred and vested with and into the Transferee Company pursuant to Sections 230 to 232 of the Companies Act, 2013.

For Stopak India Private Limited


Director

For Signode India Limited


Company Secretary

3. DEFINITIONS AND INTERPRETATION

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

3.1.1 “**Act**” means the Companies Act, 2013, and ordinances, rules and regulations made thereunder and shall include any statutory modifications, re-enactments or amendments thereof;

3.1.2 “**Accounting Standards**” means the applicable accounting standards in force in India from time to time, consistently applied during the relevant period, including the generally accepted accounting principles and standards specified under Section 133 of the Act, read with relevant rules thereunder and all pronouncements including the guidance notes and other authoritative statements of the Institute of Chartered Accountants of India.

3.1.3 “**Appointed Date**” means 1st April, 2020, or such other date as the National Company Law Tribunal, Hyderabad Bench or such other authorities may direct/ fix;

3.1.4 “**Board of Directors**” or “**Board**” means the board of directors of any of the Transferor Company or the Transferee Company or collectively the Board of Directors of the Transferor Company and the Transferee Company, as the case may be, and shall include any duly constituted committee thereof;

3.1.5 “**Effective Date**” shall means the date or the last of the dates on which the conditions referred to in Clause 16 hereof have been fulfilled.

3.1.6 “**Employees**”, in regard to a Company, means the staff, workmen and employees on the payrolls of the relevant Company, including the staff, workmen and employees deputed to work with customers / clients of such a company.

3.1.7 “**Government Authority**” means the central government, any applicable state or local government, legislative body, regulatory or administrative authority, agency or

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Company Secretary

commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction;

3.1.8 "IT Act" means the (Indian) Income-tax Act, 1961 and shall include any statutory modifications, re-enactments or amendments thereof, any rules made thereunder and any circulars or notifications issued by the Central Board of Direct Taxes, for the time being in force;

3.1.9 "MAT" means Minimum Alternate Tax;

3.1.10 "NCLT" means National Company Law Tribunal, Hyderabad Bench within whose jurisdiction the registered offices of the Transferor Company and Transferee Company are situated;

3.1.11 "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Amalgamation and Arrangement in its present form or with any modification(s) made under Clause 19 of this Scheme, as approved or directed by National Company Law Tribunal, Hyderabad Bench or any other appropriate authority;

3.1.12 "Transferor Company" or "Stopak India" means Stopak India Private Limited (CIN: U21024TG2008PTC146404), a company incorporated under the Companies Act, 1956 and having its Registered Office at 3rd Floor, Jyothi Majestic, H. No., 8-2-120/84, Road No.2, Banjara Hills, Hyderabad- 500034.

3.1.13 "Transferee Company" or "Signode India" means "Signode India Limited" (CIN: U74950TG2003PLC091521) a company incorporated under the Companies Act, 1956 and having its Registered Office at 3rd Floor, Jyothi Majestic, H. No. 8-2-120/84, Road No.2, Banjara Hills, Hyderabad- 500034.

3.1.14 "Undertaking" shall mean and include the whole of the Undertaking of the Transferor Company, as a going concern, including its entire business, immovable properties, all secured and unsecured debts, liabilities including contingent liabilities, losses including accumulated losses and unabsorbed depreciation, duties and obligations and all the assets, properties, rights, titles and benefits, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible,

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Director

For Signode India Limited


Company Secretary

present or contingent and including but without being limited to all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, investments, funds, licenses, registrations, marketing authorisation, copyrights, patents, trade names, trademarks, marketing rights and other rights and licenses in respect thereof, applications for copyrights, patents, trade names, trademarks, marketing intangibles, leases, licenses, tenancy rights, premises, hire purchase and lease arrangements, lending arrangements, benefits of security arrangements, computers, office equipment, telephones, telexes, facsimile connections, internet connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, benefits of agreements, contracts and arrangements including but not limited to contracts entered into with vendors, customers and service providers, powers, authorities, permits, allotments, approvals, consents, privileges, liberties, easements and all the right, title, interest, goodwill, benefit and advantage, reserves, provisions, advances, receivables, deposits, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, tax credits (including but not limited to credits in respect of income tax, Goods and Services Tax, value added tax, service tax, etc.), tax refunds, MAT credit entitlement, if any, software license, domain/ websites, etc., in connection/ relating to the Transferor Company and other claims and powers, of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company, as on the Appointed Date.

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 or any statutory modification or re-enactment thereof from time to time.

For Stopak India Private Limited


Director

For Signode India Limited


Company Secretary

3.2 INTERPRETATION

- 3.2.1 Words denoting the singular shall include the plural.
- 3.2.2 Any references in this Scheme to "upon this Scheme becoming effective" or "upon the Scheme coming into effect" shall be construed to be a reference to the Effective Date.
- 3.2.3 The words "include" and "including" are to be construed without limitation.

4. SHARE CAPITAL

4.1 Stopak India, Transferor Company:

The share capital of Stopak India Private Limited, the Transferor Company as at 31st March, 2020 was as follows:

Authorised Share Capital	Amount (Rs.)
50,00,000 equity shares of Re.1/- each	50,00,000
Issued, Subscribed and Paid-up Share Capital	
5,58,012 equity shares of Re.1/- each, fully paid-up	5,58,012

Subsequent to 31st March, 2020 and till the date of this Scheme, there has been no change in the share capital of Transferor Company.

4.2 Signode India, Transferee Company:

The share capital of Signode India Limited, the Transferee Company as at 31st March, 2020 was as follows:

Authorised Share Capital	Amount (Rs.)
15,00,00,000 equity shares of Rs.10/- each	150,00,00,000
Issued, Subscribed and Paid-up Share Capital	
7,41,52,940 equity shares of Rs.10/- each, fully paid-up	74,15,29,400

Subsequent to 31st March, 2020 and till the date of this Scheme, there has been no change in the share capital of Transferee Company.

For Stopak India Private Limited


Director

For Signode India Limited


Company Secretary

5. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set-out herein in its present form or with any modification(s) and amendment(s) approved or imposed or directed by the NCLT or any other appropriate authority, shall be effective from the Appointed Date but shall be made operative from the Effective Date.

PART B

TRANSFER AND VESTING OF UNDERTAKING OF THE TRANSFEROR COMPANY INTO

THE TRANSFEREE COMPANY

6. TRANSFER AND VESTING OF UNDERTAKING

6.1 Subject to the provisions of this Scheme as specified hereinafter and with effect from the Appointed Date, the entire business and Undertaking of the Transferor Company, including all the debts, liabilities, losses including accumulated losses and unabsorbed depreciation, duties and obligations, including those arising on account of taxation laws and other allied laws, of the Transferor Company of every description and also including, without limitation, all the movable and immovable properties (if any) and assets (whether tangible or intangible) of the Transferor Company comprising of, amongst others, buildings, plants, investments, motor vehicles, receivables, actionable claims, furniture and fixtures, computers, office equipment, electrical installations, generators, facsimile and other communication facilities and business licenses, permits, deposits, authorisations, approvals, insurance cover of every description, lease, tenancy rights, permissions, incentives, if any, and all other rights, patents, know-hows, trademarks, service marks, trade secrets, brands, registrations, product licenses, marketing authorisations and other intellectual property rights and intangibles, proprietary rights, marketing rights, title, interest, contracts including but not limited to contracts entered into with customers, vendors and service providers, consents, approvals and rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals, shall, under the provisions of Sections 230 to 232 of the Act and other relevant provisions of the Act, to the extent applicable and pursuant to the order of the NCLT, sanctioning this Scheme and without further act, instrument or deed, but subject to

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For Signode India Limited


Company Secretary

the charges affecting the same as on the Appointed Date, be transferred and/or deemed to be transferred to and vested in the Transferee Company, so as to become the properties, assets, rights, business and Undertaking(s) of the Transferee Company.

6.2 Without prejudice to the generality of Clause 6.1 above, in respect of the assets of the Transferor Company, including cash and bank balances, as are movable in nature or are otherwise capable of transfer by manual delivery, by paying over or by endorsement and delivery or otherwise, the same shall be so transferred by the Transferor Company to the Transferee Company, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company as an integral part of the assets of the Transferee Company, with effect from the Appointed Date.

6.3 Without prejudice to the generality of Clause 6.1 above, upon the Scheme coming into effect and with effect from the Appointed Date, all debts, liabilities, duties and obligations of the Transferor Company as on 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 on any income earned from those assets.

6.4 With effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date.

6.5 Loans, advances, trade dues, trade advances and other obligations (including guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the

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Director

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Company Secretary

Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any inter-company loans, advances and other obligations with effect from the Appointed Date.

6.6 All existing securities, mortgages, charges, liens or other encumbrances, if any, as on the Appointed Date and created by the Transferor Company after the Appointed Date, over the properties and other assets in the Undertaking transferred to the Transferee Company by virtue of this Scheme and in so far as such securities, mortgages, charges, liens or other encumbrances secure or relate to liabilities of the Transferor Company, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company, and such securities, mortgages, charges, liens or encumbrances shall not relate or attached to any other assets of the Transferee Company, provided however that no encumbrances shall have been created by the Transferor Company over its assets after the date of filing of the Scheme, without the prior written consent of the Board of Directors of the Transferee Company, except for those done in the normal course of business.

6.7 The existing encumbrances over the properties and other assets of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme. The Transferee Company shall not be liable to create additional charge or encumbrances on its properties for the liabilities and obligations of the Transferor Company as on the Appointed Date and taken over by the Transferee Company.

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Company Secretary

6.8 It is expressly provided that, save as herein provided, no other term or condition of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.

6.9 With effect from the Appointed Date, all statutory licences, registrations, incentives, tax deferrals and benefits, carry-forward of tax losses including accumulated losses and unabsorbed depreciation, tax credits, tax refunds, MAT credit entitlement, if any, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, permissions, approvals or consents to carry on the operations of the Transferor Company, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether before or after the Appointed Date shall stand vested in or transferred to the Transferee Company, pursuant to the Scheme, without any further act or deed and shall remain valid, effective and enforceable on the same terms and conditions and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company upon the vesting and transfer of the Undertaking of the Transferor Company pursuant to this Scheme.

6.10 Upon the Scheme being sanctioned and taking effect, the Transferee Company shall be entitled to operate all bank accounts related to the Transferor Company and all cheques, drafts, pay orders, direct and indirect tax balances and/or payment advices of any kind or description issued in favour of the Transferor Company, either before or after the Appointed Date, or in future, may be deposited with the bank of the Transferee Company and credit of all receipts thereunder will be given in the accounts of the Transferee Company.

6.11 The amalgamation of the Transferor Company with the Transferee Company, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date

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Director

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Company Secretary

and shall be in accordance with Section 2(1B) of the IT Act. If any terms or provisions of this Scheme is/are inconsistent with the provisions of the said Section 2(1B), such provisions of said Section 2(1B) shall prevail and the Scheme shall stand modified to the extent necessary to comply with the said Section 2(1B). Such modification will, however not affect the other parts of the Scheme.

7. STAFF, WORKMEN & EMPLOYEES

7.1 On the Scheme becoming effective, all the Employees of the Transferor Company, if any, in service on the Effective Date shall be deemed to have become Employees of the Transferee Company with effect from the Appointed Date or the date of joining whichever is later, without any break or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company (i.e. cost-to-company basis, in monetary terms) shall not be less favourable than those applicable to them with reference to their employment with the Transferor Company on the Effective Date.

7.2 The Transferee Company agrees that the services of all such Employees with the Transferor Company up to the Effective Date shall be taken into account for purposes of all retirement benefits to which they may be eligible in the Transferor Company on the Effective Date.

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 Employees of the Transferor Company shall become trusts/funds of the Transferee Company 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 the Transferor Company in relation to such fund or

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Director

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Company Secretary

funds shall become those of the Transferee Company. It is clarified that, for the purpose of the said fund or funds, the services of the Employees of the Transferor Company will be treated as being continuous with the Transferee Company from the date of employment as reflected in the records of the Transferor Company.

7.4 The provident fund, gratuity fund, and superannuation fund dues, if any, of the Employees of the Transferor Company, subject to the necessary approvals and permissions and at the discretion of the Transferee Company either be continued as a separate fund of the Transferee Company for the benefit of the Employees or be transferred to and merged with the similar funds of the Transferee Company. The Transferee Company shall continue to make contributions into the provident fund accounts of Employees maintained under the registration of the Transferor Company till such time the accounts are transferred under the registration of the Transferee Company. The Transferee Company shall also continue to make contributions to the gratuity fund and superannuation fund maintained by the Transferor Company, till the date of completion of the transition.

8. LEGAL PROCEEDINGS

8.1 If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company is pending, including those arising on account of taxation laws and other allied laws, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the arrangement by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company, as if this Scheme had not been made.

8.2 In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated by or against the Transferor Company, the Transferee Company shall be

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substituted and deemed to be party thereto and any payment and expenses made thereto shall be the liability of the Transferee Company.

9. CONTRACTS, DEEDS, ETC., AND POWER TO GIVE EFFECT TO THIS PART

9.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, licences, permits, registrations, approvals and other instruments, if any, of whatsoever nature to which the Transferor Company is a party and subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto, notwithstanding the terms contained in such contracts, deeds, bonds, agreements, licences, permits, registrations, approvals and other instruments.

9.2 The Transferee Company shall enter into and/ or issue and/ or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novation, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, the Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

9.3 All cheques and other negotiable instruments and payment orders received in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company. Similarly, the banker of the Transferee Company shall honour cheques issued by the Transferor Company for payment on or after the Appointed Date and presented after the Effective Date.


For Stopak India Private Limited
Director


For Signode India Limited
Company Secretary

10. TAXATION MATTERS

10.1 On or after the Effective Date, the Transferor Company and the Transferee Company shall have the rights to revise their financial statements and tax returns (including withholding tax returns) along with prescribed forms, filings and annexures under the provisions of the IT Act (including for the purpose of re-computing income tax under the normal provisions, MAT, and claiming other tax benefits), Wealth Tax Act, 1957, customs duty law, Goods and Services Tax ("GST") or other tax laws, and to claim refunds and/or credits for taxes paid (including MAT, tax deducted at source, GST input tax credit, etc.), and to claim tax benefits and for matters incidental thereto, if required to give effect to the provisions of the Scheme.

10.2 As and from the Effective Date, all tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company.

10.3 Any tax liabilities under the IT Act, Wealth Tax Act, 1957, customs duty laws, GST or other applicable law/ regulations dealing with taxes, duties, levies allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred or stand transferred to Transferee Company. Any surplus in the provision for taxation / duties/ levies account including advance tax and tax deducted at source and MAT credit as on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company. On and from the Appointed Date, the Transferee Company would be entitled to claim the advance tax that has been paid by the Transferor Company and the credit of tax deducted at source, GST credit, credit of tax collected at source etc. entitled to by the Transferor Company and necessary intimations to this effect would be given to the tax authorities by the Transferee Company after the Effective Date.

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Company Secretary

10.4 Any refund under the IT Act, Wealth-tax Act, 1957, customs duty laws, GST or other applicable law/ regulations dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Company due to Transferor Company consequent to the assessment made on Transferor Company whether credit taken or not taken in the books of accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

10.5 Any tax payment (including, without limitation, income-tax, MAT, taxes withheld/ paid in a foreign country, dividend distribution tax, custom duty, GST etc.) whether by way of deduction at source, advance tax or self-assessment tax or otherwise, howsoever, by the Transferor Company in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly. Further, any tax deducted at source by Transferor Company/Transferee Company including on payables to Transferee Company/ Transferor Company on account of investments held by the Transferee Company in the Transferor Company which has been deemed not to be accrued, shall be deemed to be advance taxes paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.

10.6 Obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company under the IT Act, Wealth Tax Act, 1957, customs duty laws, GST, or other applicable law/ regulations dealing with taxes / duties / levies shall be made or deemed to be have been made and duly complied with by the Transferee Company.

10.7 All deductions otherwise admissible to the Transferor Company including deductions admissible on actual payment or on deduction of appropriate taxes or on payment of tax deducted at source (such as under Sections 40, 40A, 43B, etc. of the IT Act) shall be available for deduction to the Transferee Company as it would have been available to the Transferor Company.

For Stopak India Private Limited


Director

For Signode India Limited


Company Secretary

10.8 The accumulated losses and the allowances for unabsorbed depreciation of the Transferor Company shall be deemed to be the loss and allowance for unabsorbed depreciation of the Transferee Company in accordance with Section 72A of the IT Act or any other provision of the IT Act as may be applicable.

10.9 The losses and unabsorbed depreciation as per books of accounts of the Transferor Company as on the date immediately preceding the Appointed Date shall be deemed to be the brought forward losses and unabsorbed depreciation of the Transferee Company for the purpose of computation of book profit to calculate MAT payable by the Transferee Company.

10.10 The Transferee Company shall be entitled to claim depreciation on the depreciable assets which are transferred by the Transferor Company by virtue of the Scheme under Section 32 read with Section 43 of the IT Act.

10.11 The date of acquisition of capital assets of the Transferor Company shall be the date of acquisition for the Transferee Company for the purpose of calculation of capital gain tax under the IT Act.

PART C

11. CANCELLATION OF SHARES

Since the Transferor Company is a wholly owned subsidiary of the Transferee Company, upon the Scheme being sanctioned by the NCLT all the equity shares held by the Transferee Company along with its nominee in the Transferor Company shall be cancelled and extinguished. Accordingly, there will be no issue and allotment of equity shares by the Transferee Company to the Shareholders of the Transferor Company upon this Scheme becoming effective.

For Stopak India Private Limited


Director

For Signode India Limited


Company Secretary

12. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY

Notwithstanding anything contrary contained in any other clause in the scheme, the Transferee Company shall account for the amalgamation in its separate financial statements in accordance with the 'pooling of interest method' laid down in Appendix C of Indian Accounting Standard (Ind AS) 103, Business Combination of entities under common control and other accounting principles prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Companies Act, 2013. Accordingly, the financial information in the financial statements of the Transferee Company in respect of prior periods will be restated as if the business combination had occurred from the beginning of the preceding period presented in the financial statements, irrespective of the actual date of the combination.

13. TRANSACTIONS BETWEEN THE APPOINTED DATE AND THE EFFECTIVE DATE

During the period from the Appointed Date to the Effective Date:

13.1 The Transferor Company shall carry on and be deemed to have carried on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of its business and Undertaking for and on account of and in trust for the Transferee Company.

13.2 The Transferor Company shall carry on its business and activities in the ordinary course of business with reasonable diligence and business prudence.

13.3 All the profits or income accruing or arising to the Transferor Company or expenditure or losses incurred or arising to the Transferor Company, shall for all purposes be treated and deemed to be and accrue as the profits or income or expenditure or losses (as the case may be) of the Transferee Company.

For Stopak India Private Limited


Director

For Signode India Limited


Company Secretary

13.4 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Government Authority concerned, as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company.

13.5 The Transferor Company shall carry on its business, operations or activities with reasonable diligence and business prudence and in the same manner as it had been doing hitherto and shall not venture into/ expand any new businesses, alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business, without the prior consent of the Transferee Company.

13.6 For avoidance of doubt, it is hereby clarified that nothing in this Scheme shall prevent the Transferee Company and the Transferor Company from declaring and paying dividends, whether interim or final, to their respective equity shareholders. It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company and/ or the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Board of Directors of the Transferor Company and the Transferee Company and subject, wherever necessary, to the approval of the shareholders of the Transferor Company and the Transferee Company, respectively.

13.7 The Transferee Company and the Transferor Company shall also be entitled to make an application for amending, cancelling or obtaining fresh registrations, as the case may be, under all applicable laws and legislations.

For Stopak India Private Limited


Director

For Signode India Limited


Company Secretary

14. SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of this Scheme, the transfer and vesting of the Undertaking of the Transferor Company under Clause 6 of this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or concluded between the Appointed Date and the Effective Date (both days inclusive), to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

PART D

DISSOLUTION OF THE TRANSFEROR COMPANY AND THE GENERAL TERMS AND CONDITIONS APPLICABLE TO THIS SCHEME AND OTHER MATTERS CONSEQUENTIAL AND INTEGRALLY CONNECTED THERETO

15. DISSOLUTION

On the Scheme becoming effective, the Transferor Company shall stand dissolved, without being wound-up.

16. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

- (i) The requisite consent, approval or permission of any Government Authorities, which by law may be necessary for the implementation of this Scheme;
- (ii) Approval by the NCLT;
- (iii) The certified copy of the order of the NCLT, sanctioning the Scheme is filed with the Registrar of Companies by the Transferor Company and the Transferee Company; and
- (iv) Compliance with such other conditions as may be imposed by the NCLT or Government Authorities.

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Director

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Company Secretary

17. APPLICATION TO THE NATIONAL COMPANY LAW TRIBUNAL, HYDERABAD BENCH

The Transferee Company and the Transferor Company shall, with all reasonable dispatch, make and file applications/petitions under Sections 230 to 232 of the Act to the NCLT, within whose jurisdiction the registered offices of the Transferee Company and the Transferor Company are situated, for sanctioning the Scheme, and for dissolution of the Transferor Company without being wound-up.

18. VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon the coming into effect of the Scheme, the resolutions of the Transferor Company as is considered necessary by the Board of Directors of the Transferee Company which are validly subsisting be considered as resolutions of the Transferee Company. If any such resolutions have any monetary limits approved under the provisions of the Act or of any other applicable statutory provisions, then the said limits as are considered necessary by the Board of Directors of the Transferee Company, shall be added to the limits, if any, under the like resolutions passed by the Transferee Company.

19. MODIFICATION OR AMENDMENTS TO THE SCHEME

The Transferee Company and the Transferor Company by their respective Board of Directors, or any person(s) or committee authorised/ appointed by them, may carry out or assent to any modifications/ amendments to the Scheme or to any conditions or limitations that the NCLT and/ or any other Government Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. The Transferee Company and the Transferor Company by their respective Board of Directors or any person(s) or committee authorised or appointed by them, shall be authorised 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 Government Authority or otherwise howsoever

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Company Secretary

arising out of or under or by virtue of the Scheme and/ or any matter concerned or connected therewith. The Transferee Company and the Transferor Company shall be at liberty to withdraw from this Scheme, in case of any condition or alteration imposed by the NCLT or any other authority or any bank or financial institution is unacceptable to them or otherwise if so mutually agreed.

20. EFFECT OF NON-RECEIPT OF APPROVALS

20.1 In the event any of the 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 the Transferee Company and the Transferor Company shall by mutual agreement waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, or in case the Scheme is not sanctioned by the NCLT, the Scheme shall become null and void, and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

20.2 Notwithstanding anything contained in Clause 20.1, the Board of Directors of Transferor Company and Transferee Company with mutual consent shall be entitled to withdraw this Scheme prior to the Effective Date.

21. COSTS, CHARGES AND EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by the Transferee Company. In the event of the Scheme not being sanctioned by the NCLT, the Transferee Company shall bear and pay all costs, charges, expenses and taxes, including duties and levies in connection with the Scheme and will be reimbursed by the Transferor Company, as maybe mutually agreed by the parties.

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22. MISCELLANEOUS

In case of any doubt, difference or issue which may arise among the Transferor Company and the Transferee Company or any of its shareholders, creditors, Employees and/ or persons entitled to or claiming any right to any shares in the Transferor Company or the Transferee Company, as to the construction of this Scheme or as to any account, valuation or apportionment to be taken or made in connection herewith or as to any other aspects contained in or relating to or arising out of this Scheme, the same shall be amicably settled between the Board of Directors of the Transferor Company and the Transferee Company and the decision arrived at therein shall be final and binding on all concerned. If any part of this Scheme hereof is invalid, ruled illegal by the NCLT, or unenforceable under present or future laws, then it is the intention of the Transferor Company and the Transferee Company that such part shall be severable from the remainder of the Scheme; and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party to the Scheme, in which case the parties to the Scheme shall attempt to bring about a modification in the Scheme; as will best preserve for the parties to the Scheme, the benefits and obligations of the Scheme.

For Stopak India Private Limited


Director

For Signode India Limited


Company Secretary