

SIGNODE INDIA LIMITED

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CIN: U74950TG2003PLC091521

GST: 36AAHCS8102M1Z0

NOTICE OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, HYDERABAD BENCH CONVENED MEETING OF THE UNSECURED TRADE CREDITORS OF SIGNODE INDIA LIMITED**MEETING:**

Day	Monday
Date	30 th August, 2021
Time	4:00 P.M.
Mode	In view of the Covid-19 pandemic and related social distancing norms and as per the directions of the Hon'ble National Company Law Tribunal, Hyderabad Bench, the Tribunal Convened Meeting shall be conducted through Video Conferencing/ Other Audio Visual Means (" VC/OAVM ")
Remote E-Voting/ E-Voting during the Tribunal Convened Meeting	<u>Remote E-Voting</u> Commencing on: Friday, the 27 th August, 2021 at 9:00 a.m. Ending on: Sunday, the 29 th August, 2021 at 5:00 p.m. <u>E-Voting during the Tribunal Convened Meeting</u> E-voting facility shall also be available to the Unsecured Trade Creditors of the Company during the Tribunal Convened Meeting

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FORM NO. CAA.2

[Pursuant to Section 230(3) of the Companies Act, 2013 and rule 6 and 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL BENCH AT HYDERABAD

COMPANY APPLICATION NO. CA/30/ 2021

in CA(CAA)No.22/230/HDB/2021

IN THE MATTER OF SECTION 230 TO 232 COMPANIES ACT, 2013

AND

IN THE MATTER OF SCHEME OF AMALGAMATION

OF

STOPAK INDIA PRIVATE LIMITED

(TRANSFEROR COMPANY)

WITH

SIGNODE INDIA LIMITED

(TRANSFeree COMPANY)

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

SIGNODE INDIA LIMITED

..... TRANSFeree COMPANY

Notice of the Tribunal Convened Meeting of Unsecured Trade Creditors of Signode India Limited

Notice is hereby given that by an Order dated April 8, 2021 and July 9, 2021, the Hon'ble Hyderabad Bench of the National Company Law Tribunal has directed meeting ("**Tribunal Convened Meeting**") of Unsecured Trade Creditors of Transferee Company abovenamed to be held for the purpose of considering, and if thought fit, approving with or without modification, the proposed Scheme of Amalgamation ("**Scheme**") of Stopak India Private Limited ("**Transferor Company**") with Signode India Limited ("**Transferee Company/Company**") and their respective shareholders and creditors to pass the following resolution:

***“RESOLVED THAT** pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and other applicable provisions of the Companies Act, 2013 and the provisions of the Memorandum and Articles of Association of Signode India Limited ("**Transferee Company**") and subject to the approval of the Hon'ble National Company Law Tribunal, Hyderabad Bench and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Hon'ble National Company Law Tribunal, Hyderabad Bench or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the board of directors of Transferee Company (herein after referred to as the "**Board**", which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person*

authorized by it to exercise its powers including the powers conferred by this resolution), the arrangement embodied in the Scheme of Amalgamation of Stopak India Private Limited ("**Transferor Company**") with Transferee Company and its respective shareholders and creditors ("**Scheme**") as placed before this meeting, be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution to effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Hon'ble National Company Law Tribunal, Hyderabad Bench, while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as maybe required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper."

In pursuance of the said Order and as directed therein notice is hereby given that a meeting of Unsecured Trade Creditors of the Transferee Company will be held through Video Conferencing/ Other Audio Visual Means ("**VC/OAVM**") on Monday, 30th August 2021 at 4:00 P.M. following the operating procedures (with requisite modifications as may be required) referred to in General Circular No. 14/2020 dated 8th April, 2020 read with General Circular No. 17/2020 dated 13th April, 2020, General Circular No.22/2020 dated 15th June, 2020, General Circular No. 33/2020 dated 28th September, 2020, General Circular No.39/2020 dated 31st December, 2020 and General Circular No. 10/2021 dated 23rd June, 2021, issued by the Ministry of Corporate Affairs, Government of India. Further, for the purpose of technical compliance of the provisions of the Companies Act, 2013, we are assuming the place of Tribunal Convened Meeting as the place where the Company is domiciled, i.e., the Registered Office of the Company.

In compliance with the Hon'ble Hyderabad Bench of the National Company Law Tribunal's Order dated April 8, 2021 and July 9, 2021, the Company has provided the facility of voting by remote E-Voting (commencing from Friday, 27th August, 2021 at 9:00 a.m. and ending on Sunday, 29th August, 2021 at 5:00 p.m.) as well as voting through E-Voting facility at the Tribunal Convened Meeting, so as to enable the Unsecured Trade Creditors, to consider and approve the Scheme. Accordingly, voting by Unsecured Trade Creditors of Signode India Limited shall be carried out through (a) E-Voting during the Tribunal Convened Meeting to be held on Monday, 30th August, 2021, and (b) Remote E-Voting. The Unsecured Trade Creditors opting to cast their votes by remote E-Voting or E-Voting during the Tribunal Convened Meeting through VC/OAVC, are requested to read the instructions in the notes below carefully.

A copy of the Scheme, the Explanatory Statement under Section 230, Section 232 and Section 102 of the Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, along with the enclosures as indicated in the index, are enclosed herewith. Copies of the said Scheme and the statement under Section 230 of the Act can also be obtained free of charge at the Registered Office of the Company situated at 3rd Floor, Jyothi Majestic, H. No. 8-2-120/84, Road No. 2, Banjara Hills, Hyderabad- 500034 or at the office of its counsel at #10/17 Anandam Colony, South Canal Bank Road, Mandaveli Chennai- 600028.

A recorded transcript of the meeting shall also be made available on the website of the Company.

The Tribunal has appointed Ms. Satyasiri Atluri as Chairperson of the aforesaid Tribunal Convened Meeting. Further, the Tribunal has also appointed Ms. Anantha Lakshmi as the Scrutinizer for the Tribunal Convened Meeting.

Upon completion of the scrutiny of the remote E-Voting and E-Voting during the meeting, the Scrutinizer will submit her report.

The Scheme, if approved by the Tribunal Convened Meeting, will be subject to subsequent approval of the Hon'ble National Company Law Tribunal, Hyderabad Bench.

Sd/-
Satyasiri Atluri
(Chairperson appointed for the aforesaid Tribunal Convened Meeting)

Dated this 26th day of July, 2021

Place: Hyderabad

Notes:

1. In view of the ongoing Covid-19 pandemic, social distancing norms to be followed and pursuant to the Order dated April 8, 2021 and July 9, 2021, in Company Application No. CA/30/ 2021 in CA(CAA)No.22/230/HDB/2021 passed by the Hon'ble National Company Law Tribunal, Hyderabad Bench ("NCLT"), the meeting of the Unsecured Trade Creditors of Signode India Limited ("**Tribunal Convened Meeting**" / "**Meeting**") is being convened on Monday, 30th August, 2021 at 4:00 P.M. (IST) through Video Conferencing ("**VC**")/ Other Audio Visual Means ("**OAVM**") without the physical presence of the Unsecured Trade Creditors at a common venue, as per applicable procedure mentioned in the General Circular No. 14/2020 dated 8th April, 2020 read with General Circular no. 17/2020 dated 13th April, 2020, General Circular No.22/2020 dated 15th June, 2020, General Circular No. 33/2020 dated 28th September, 2020, General Circular no. 39/2020 dated 31st December, 2020 and General Circular No. 10/2021 dated 23rd June, 2021 issued by the Ministry of Corporate Affairs (the "**MCA Circulars**"), for the purpose of considering, and if thought fit, approving, with or without modification(s), Scheme of Amalgamation of Stopak India Limited ("**Transferor Company**") with Signode India Limited ("**Transferee Company/Company**") and their respective shareholders and creditors under the provisions of Sections 230 to 232 of the Companies Act, 2013 ("**the Act**") and other relevant provisions of the Act and rules framed thereunder ("**Scheme**").
2. Explanatory Statement under Sections 230, 232 and 102 of the Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 to the Tribunal Convened Meeting, is annexed hereto.
3. The persons entitled to attend and vote at the said meeting are entitled to appoint a proxy and may vote by proxy, provided that all the proxies in the prescribed form are deposited at the registered office of the Company at 3rd Floor, Jyothi Majestic, H. No. 8-2-120/84, Road No. 2, Banjara Hills, Hyderabad- 500034, not later than 48 (forty-eight) hours before the time fixed for the aforesaid Meeting. The form of proxy can be obtained free of charge from the registered office of the Company and also attached along with the present notice. That the proxy need not to be Unsecured Trade Creditor of the company. The proxy form to be filed with the Company shall contain a revenue stamp of Rupee 1/- (One), duly signed both by the Unsecured Trade Creditor and proxy to be appointed and deposited with the Company as stated above.

However, pursuant to Section 112 and Section 113 of the Act, authorized representatives of the Unsecured Trade Creditors may be appointed for the purpose of voting through remote E-Voting, for participation in the Tribunal Convened Meeting through VC/OAVM facility and E-Voting during the Tribunal Convened Meeting, provided that a certified copy of the resolution passed by its board of directors or other governing body authorizing such representative to attend and vote at the meeting, or authorization letter or power of attorney is emailed to the Scrutinizer at laxmi.nagendra27@gmail.com with a copy marked to ankur.singhal@signode.com and evoting@nsdl.co.in.

4. Only such Unsecured Trade Creditors of the Transferee Company may attend and/or e-vote (either in the Tribunal Convened Meeting through VC/OAVM or through remote E-Voting), whose names appear in the Chartered Accountant's certificate certifying the list of Unsecured Trade Creditors of the Transferee Company as on 15th January 2021, as has been filed with the NCLT. A person/ entity who is not an Unsecured Trade Creditor on such date should treat the notice for information purposes only and shall not be entitled to avail the facility of voting at the venue of the Meeting.
5. The Unsecured Trade Creditors can join the Tribunal Convened Meeting in the VC/ OAVM mode 15 minutes before and/or after the scheduled time of the commencement of the Meeting by following the procedure mentioned hereinbelow. The facility of participation at the Tribunal Convened Meeting through VC/ OAVM will be made available for 1,000 Unsecured Trade Creditors on 'first come first serve' basis.
6. The attendance of the Unsecured Trade Creditors attending the Tribunal Convened Meeting through VC/ OAVM will be counted for the purpose of reckoning the quorum. In terms of the directions contained in the Order dated 8th April 2021, the quorum for the Meeting shall consist of 10 creditors.
7. In line with the aforesaid MCA Circulars and in terms of the directions contained in the Order dated 8th April 2021 and 9th July 2021 of the NCLT, the Notice of the Tribunal Convened Meeting *inter-alia*, indicating the process and manner of voting through electronic means along with relevant documents are being sent only through electronic mode to those Unsecured Trade Creditors whose email

addresses are registered with the Company. Unsecured Trade Creditors may note that this Notice along with the relevant documents will be available on the website of NSDL at www.evoting.nsdl.com.

8. In compliance with the aforesaid Order, the Company had published on 24th July, 2021, the public notice by way of an advertisement in Business Standard (in English) and in Nava Telangana (in Telugu), both having a wide circulation in Hyderabad, Telangana where the registered office of the Company is situated.
9. **Instructions for Unsecured Trade Creditors for Remote e-Voting are as under:**
 - a. In compliance with the Order dated 8th April 2021 and 9th July 2021 of the NCLT and the MCA Circulars, the Company is pleased to provide to its Unsecured Trade Creditors facility to exercise their right to vote on resolutions proposed to be passed in the Tribunal Convened Meeting by electronic means.
 - b. National Securities Depositories Limited ('NSDL') will be providing facility for remote E-Voting, participation in the Tribunal Convened Meeting through VC/ OAVM and E-Voting during the Tribunal Convened Meeting.
 - c. **The voting by Unsecured Trade Creditors through remote E-Voting shall commence on Friday, 27th August 2021 (9:00 am IST) and end on Sunday, 29th August 2021 (5:00 pm IST). During this period, Unsecured Trade Creditors may cast their vote electronically.** The remote E-Voting module shall be disabled by NSDL upon expiry of the aforesaid period. Those Unsecured Trade Creditors, who will be present in the Tribunal Convened Meeting through VC/OAVM facility and have not cast their vote on the resolution through remote E-Voting and are otherwise not barred from doing so, shall be eligible to vote through E-Voting system during the Tribunal Convened Meeting. Unsecured Trade Creditors who cast their votes through remote E-Voting may attend the Tribunal Convened Meeting but shall not be entitled to cast their vote during the Tribunal Convened Meeting. Once the vote on a resolution is cast by the Unsecured Trade Creditor, the Unsecured Trade Creditor shall not be allowed to change it subsequently.
 - d. The details of the process and manner for remote E-Voting are explained herein below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

- I. Open the email received from NSDL on your registered email id and open PDF file viz; "e-Voting.pdf" with your Unique No. The said PDF file contains your user ID and password.
- II. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- III. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders'/Members' section.
- IV. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
- V. Your User ID detail is being sent in the email along with this Notice.
- VI. Your password detail is being sent in the email along with this Notice.
- VII. If you are unable to retrieve or have not received the "Initial password" you can send a request at evoting@nsdl.co.in or at ankur.singhal@signode.com, mentioning your name and PAN.

- VIII. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
- IX. Now, you will have to click on “Login” button.
- X. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

- I. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
 - II. After click on Active Voting Cycles, you will be able to see the Company “EVEN” in which you are an Unsecured Trade Creditor, who’s voting cycle is in active status.
 - III. Select “EVEN” of the Company.
 - IV. Now you are ready for e-Voting as the Voting page opens.
 - V. Cast your vote by selecting appropriate options, i.e., assent or dissent and click on “Submit” and “Confirm” when prompted.
 - VI. Upon confirmation, the message “Vote cast successfully” will be displayed.
 - VII. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
 - VIII. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- e. In case of any query/grievance with respect to remote E-Voting, Unsecured Trade Creditors may refer to the Frequently Asked Questions (FAQs) for Shareholders and remote E-Voting User Manual for Shareholders available under the Downloads section of NSDL’s e-voting website or contact Mr. Amit Vishal, Assistant Vice President/ Ms. Pallavi Mhatre, Manager, NSDL, Trade World, “A” Wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai 400 013 at toll free no. 11800 1020 990 / 1800 22 44 30 or at E-mail ID: evoting@nsdl.co.in. Unsecured Trade Creditors may also write to the Company Secretary at the email address: ankur.singhal@signode.com.
10. **Process for those Unsecured Trade Creditors whose email ids are not registered for procuring user id and password and registration of email ids for e-Voting on the resolutions set out in this Notice:**
- a. Those Unsecured Trade Creditors, who have not registered their email address with the Company and who wish to participate in the Tribunal Convened Meeting or cast their vote through remote E-Voting or through the E-Voting system during the Tribunal Convened Meeting, may obtain the login ID and password by sending scanned copy of:
 - (i) a signed request letter mentioning your name and complete address;
 - (ii) self-attested scanned copy of the PAN Card; and
 - (iii) a self-attested document supporting the address mentioned in (i) above.to the email address, ankur.singhal@signode.com.
 - b. Alternatively, Unsecured Trade Creditors may send an email request to evoting@nsdl.co.in for obtaining User ID and Password by providing the details mentioned in point (a) above and CC to ankur.singhal@signode.com.

11. Instructions for Unsecured Trade Creditors for participating in the Tribunal Convened Meeting through VC/OAVM are as under:

- a. A person, whose name appears in the Chartered Accountant's certificate certifying the list of Unsecured Trade Creditors of the Transferee Company as on 15th January, 2021, as has been filed with the NCLT, only shall be entitled to avail the facility of remote e-voting or for participation at the Meeting. A person who is not an Unsecured Trade Creditor as on the aforementioned date and whose name does not appear in the aforementioned list, should treat the Notice for information purpose only.
- b. Any person who is an Unsecured Trade Creditor, whose name appears in the Chartered Accountant's certificate certifying the list of Unsecured Trade Creditors of the Transferee Company as on 15th January, 2021, as has been filed with the NCLT, will be assigned a User ID and Password which will be communicated along with the Notice being sent through e-mail at the last known e-mail address as available with the Transferee Company. Please also see details under remote e-voting instructions below regarding User ID and Password.
- c. Unsecured Trade Creditors will be required to use Internet with a good speed to avoid any disturbance during the meeting.
- d. Please note that Unsecured Trade Creditors connecting from mobile devices or tablets or through laptops, etc. connecting *via* mobile hotspot, may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- e. Unsecured Trade Creditors can submit questions in advance with regard to the resolutions to be placed at the Tribunal Convened Meeting, from their registered email address, mentioning their name, PAN and mobile number, to the Company's email address: ankur.singhal@signode.com at least 48 hours in advance before the start of the meeting, i.e., by 28th August, 2021 by 4:00 p.m. IST. Such questions by the Unsecured Trade Creditors shall be taken up during the meeting and replied by the Company suitably.
- f. Unsecured Trade Creditors, who would like to ask questions during the Tribunal Convened Meeting with regard to the resolutions to be placed at the Tribunal Convened Meeting, need to register themselves as a speaker by sending their request from their registered email address mentioning their name, PAN and mobile number to the Company's email address: ankur.singhal@signode.com, at least 48 hours in advance before the start of the Tribunal Convened Meeting, i.e., by 28th August, 2021 by 4:00 p.m. IST. Those Unsecured Trade Creditors who have registered themselves as a speaker shall be allowed to ask questions during the Tribunal Convened Meeting, depending upon the availability of time. The Company/ the Chairperson of the Tribunal Convened Meeting reserves the right to restrict the number of questions, time allotted and number of speakers for smooth conduct of the Tribunal Convened Meeting.
- g. Queries on the businesses covered in the Notice may be sent to the Company Secretary at email id ankur.singhal@signode.com, in advance, so that the answers may be made readily available at the Tribunal Convened Meeting.

12. Instructions for Unsecured Trade Creditors for e-Voting during the Tribunal Convened Meeting are as under:

- a. Unsecured Trade Creditors may follow the same procedure for e-Voting during the Tribunal Convened Meeting as mentioned above for remote E-Voting.
- b. Only those Unsecured Trade Creditors, who will be present in the Tribunal Convened Meeting through VC/OAVM Facility and have not cast their vote on the Resolution through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through E-Voting system in the Tribunal Convened Meeting.

- c. The Unsecured Trade Creditors who have cast their vote by remote E-Voting prior to the Tribunal Convened Meeting may also participate in the Tribunal Convened Meeting through VC/OAVM Facility but shall not be entitled to cast their vote again.
- d. The Helpline details of the person who may be contacted by the Unsecured Trade Creditors needing assistance with the use of technology, before or during the Tribunal Convened Meeting shall be the same persons mentioned for remote e-Voting and reproduced hereunder:

Mr. Amit Vishal, Senior Manager, NSDL, at the designated email ID: evoting@nsdl.co.in, toll free no. 11800 1020 990 / 1800 22 44 30.

Ms. Pallavi Mhatre, Manager, NSDL, at the designated email ID: evoting@nsdl.co.in, toll free no. 11800 1020 990 / 1800 22 44 30.

- 13. The Tribunal has appointed Ms. Anantha Lakshmi as the Scrutinizer to scrutinize the voting process, both through remote E-Voting and E-Voting at the Tribunal Convened Meeting. The Scrutinizer will submit its report to the Chairperson of the Tribunal Convened Meeting after completion of the scrutiny of the votes cast by the Unsecured Trade Creditors of the Company, in a fair and transparent manner. The Scrutinizers decision on the validity of the vote(s) shall be final.
- 14. During the Tribunal Convened Meeting, the Chairperson of the Tribunal Convened Meeting shall, after response to the questions raised by the Unsecured Trade Creditors in advance or as a speaker at the Tribunal Convened Meeting, formally propose to the Unsecured Trade Creditors participating through VC/OAVM Facility to vote on the resolutions as set out in this Notice and announce the start of the casting of vote through the E-Voting system. After the Unsecured Trade Creditors participating through VC/OAVM Facility, eligible and interested to cast votes, have cast the votes, the E-Voting will be closed with the formal announcement of closure of the Tribunal Convened Meeting.
- 15. The Results declared along with the report of the Scrutinizer shall be placed on the website of NSDL at www.evoting.nsdl.com or can be obtained by email to the Company's email address: ankur.singhal@signode.com after the declaration of Results by the Chairperson of the Meeting or a person authorized by him.
- 16. Pursuant to the MCA Circulars, in view of the prevailing situation, the Notice of the Tribunal Convened Meeting, *inter alia*, indicating the process and manner of voting through electronic means along with the relevant documents, are being sent only by email to the Unsecured Trade Creditors. Therefore, those Unsecured Trade Creditors, whose email address is not registered with the Company and who wish to receive the Notice of the Tribunal Convened Meeting and the relevant documents and all other communication sent by the Company, from time to time, can get their email address registered by sending a scan copy of a signed request letter mentioning your name, complete address, email address to be registered along with scanned self-attested copy of the PAN and any document supporting the registered address of the Unsecured Trade Creditor, by email to the Company's email address: ankur.singhal@singode.com.
- 17. Since the Tribunal Convened Meeting will be held through VC/OAVM, route map of venue of the Tribunal Convened Meeting and admission slip is not attached to this Notice.

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL HYDERABAD BENCH

COMPANY APPLICATION NO. CA/30/ 2021

in CA(CAA)No.22/230/HDB/2021

In the matter of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules framed there under as in force from time to time;

And

In the matter of Scheme of Amalgamation

of

Stopak India Private Limited (Transferor Company)

with

Signode India limited (Transferee Company)

And

their respective shareholders and creditors

Signode India Limited

...Transferee Company

EXPLANATORY STATEMENT UNDER SECTION 230(3) OF THE COMPANIES ACT, 2013 READ WITH SECTION 102 OF THE COMPANIES ACT, 2013 AND RULES FRAMED THEREUNDER FOR THE MEETING OF UNSECURED TRADE CREDITORS OF SIGNODE INDIA LIMITED BEING CONVENED AS PER THE DIRECTIONS OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, HYDERABAD BENCH.

In this statement, Stopak India Private Limited is hereinafter referred to as "**Transferor Company**" and Signode India Limited is herein after referred to as "**Transferee Company**" or "**Company**". The other definitions contained in the Scheme of Amalgamation ("**Scheme**") will apply to this explanatory statement also. The following statement as required under Section 230(3) of the Companies Act, 2013 read with Section 102 of the Companies Act, 2013 and rules framed thereunder sets forth the details of the proposed Scheme, its effects and, in particular any material interests of the directors in their capacity as members.

Pursuant to the order dated 8th April 2021 and 9th July 2021 passed by the Hon'ble National Company Law Tribunal, Hyderabad Bench ("**NCLT**") in the Company Application No. CA/30/ 2021 in CA(CAA)No.22/230/HDB/2021 referred to herein above, a meeting of the unsecured trade creditors of the Transferee Company will be held through Video Conferencing/ Other Audio Visual Means ("**VC/OAVM**") on Monday, 30th August 2021 at 4:00 P.M. following the operating procedures (with requisite modifications as may be required) referred to in General Circular No. 14/2020 dated 8th April, 2020 read with General Circular No. 17/2020 dated 13th April, 2020, General Circular No.22/2020 dated 15th June, 2020, General Circular No. 33/2020 dated 28th September, 2020, General Circular No.39/2020 dated 31st December, 2020 and General Circular No. 10/2021 dated 23rd June, 2021 issued by the Ministry of Corporate Affairs, Government of India. Further, for the purpose of technical compliance of the provisions of the Companies Act, 2013 we are assuming the place of Tribunal Convened Meeting as the place where the Company is domiciled, i.e., the Registered Office of the Company for the purpose of considering and if thought fit, approving with or without modification(s), the proposed Scheme of the Transferor Company and the Transferee Company and their respective shareholders and creditors.

1. The Scheme was placed before the board of directors ("**Board**") of the Transferee Company at their meeting held on December 28, 2020 and was approved by the Board.
2. Based on the evaluations, the Board of the Transferee Company has come to the conclusion that

the Scheme is in the best interest of all the parties concerned.

3. A copy of the Scheme as approved by the Board of the respective companies is enclosed.

4. **BACKGROUND OF THE COMPANIES INVOLVED IN THE SCHEME ARE AS UNDER:**

4.1 **SIGNODE INDIA LIMITED:**

- a) The Transferee Company was incorporated on August 13, 2003 as a public limited company, under the provisions of 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 Company had changed its registered office from the State of Maharashtra to the State of Andhra Pradesh 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: 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. Permanent Account Number of the Transferee Company is AAHCS8120M.
- b) The registered office of the Transferee Company is situated at 3rd Floor, Jyothi Majestic, H. No. 8-2-120/84, Road No. 2, Banjara Hills, Hyderabad- 500034.
- c) The e-mail id for the Transferee Company is ankur.singhal@signode.com
- d) The details of the issued, subscribed and paid-up share capital of the Transferee Company as on March 31, 2020 was as under:

Particulars	Amount in INR
Authorized capital	
15,00,00,000 equity shares of Rs.10/- each	150,00,00,000
TOTAL	150,00,00,000
Issued, subscribed and paid-up	
7,41,52,940 equity shares of Rs.10/- each	74,15,29,400
TOTAL	74,15,29,400

Subsequent to March 31, 2020, there has been no change in authorized, subscribed, issued and paid-up share capital of the Transferee Company.

- e) The shares of the Transferee Company are not listed on any stock exchange.
- f) The objects for which the Transferee Company has been established are set out in its Memorandum of Association. The main objects of the Transferee Company are set out hereunder:

To carry on the business as traders, manufacturers, producers, assemblers, dealers, importers, exporters, stockists, distributors, agents, fabricators, service providers and consultants of packaging materials, tools, equipment, accessories, supplies and systems.

The Transferee Company has changed its name since incorporation from Strapex Packaging India Limited to Strapex India Limited and subsequently to Signode India Limited.

The Transferee Company was incorporated in the State of Maharashtra and subsequently with the approval of the Central Government shifted its registered office to the State of Telangana.

There was no change in objects of the Transferee Company during the last five years.

- g) As per the certificate issued by M/s G P Associates, Chartered Accountants, the Transferee Company has 1,064 (One Thousand and Sixty Four only) unsecured trade creditors amounting to Rs. 1,98,19,00,140/- (Rupees One Hundred and Ninety Eight Crores Nineteen Lakhs One Hundred and Forty only) as on January 15, 2021.

4.2 **STOPAK INDIA PRIVATE LIMITED:**

- a) The 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. Permanent Account Number of the Transferor Company is AAMCS8608K.
- b) The registered office of the Transferor Company is situated 3rd Floor, Jyothi Majestic, H. No. 8-2-120/84, Road No. 2, Banjara Hills, Hyderabad - 500034.
- c) The e-mail id for the Transferor Company is gaurav.maheshwari@signode.com
- d) The details of the issued, subscribed and paid-up share capital of the Transferor Company as on March 31, 2020 was as under:

Particulars	Amount in INR
Authorized Capital	
50,00,000 equity shares of Re.1/- each	50,00,000
TOTAL	50,00,000
Issued, subscribed and paid-up	
5,58,012 equity shares of Re.1/- each	5,58,012
TOTAL	5,58,012

Subsequent to March 31, 2020, there has been no change in authorized, subscribed, issued and paid-up share capital of the Transferor Company.

- e) The shares of the Transferor Company are not listed on any stock exchange.
- f) The objects for which the Transferor Company has been established are set out in its Memorandum of Association. The main objects of the Transferor Company are set out hereunder:
1. *To carry on business of manufacture, trade, export, import of Packaging Products for Bulk Packaging industry and other related products, services and activities in joint venture with Stopak (pty) Ltd.*
 2. *To carry on business of manufacture, trade, export, import, processing, commission agents, distributors, designing concepts, logistic solutions, consultants, for all kinds of bulk Packaging, card board packing, plastic packing, polythene packing, gunny bags, containers, bottles, hollow wares, boxes, wrappings, wrappers, made of different materials, including leather, plastic, H.D.P, L.D.P, Polypropylene, P.V.C, metals, alloy glass for trade and industries of every description.*

The Transferor Company has not changed its name since incorporation.

The Transferor Company had shifted its registered office from the State of Karnataka to the State of Telangana pursuant to issuance of fresh certificate of incorporation consequent upon change of registered office.

There was no change in objects of the Transferor Company during the last five years.

- g) The Transferor Company is the wholly owned subsidiary of the Transferee Company.

5. BACKGROUND OF THE SCHEME

- a) The Scheme provides for the merger of the Transferor Company with the Transferee Company.
- b) Pursuant to the Scheme, the entire Undertaking (as defined in the Scheme) of the Transferor Company would stand transferred to and vested in the Transferee Company, on and from the Appointed Date, that is April 1, 2020 or such other date as may be directed by the NCLT, subject to the confirmation of the NCLT.
- c) The Transferor Company is a wholly owned subsidiary of the Transferee Company. On account of the foregoing, upon the Scheme becoming effective, no equity shares of the Transferee Company shall be allotted as consideration for the amalgamation under Part C of the Scheme in lieu of or in exchange for the direct or indirect holding in the Transferor Company.

6. RATIONALE OF THE SCHEME AND BENEFITS AS PERCEIVED BY THE BOARD

The Scheme would, *inter alia*, have the following benefits, in view of which the Board of Transferor Company and Transferee Company have considered and proposed the Scheme:

- 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 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.

7. SALIENT FEATURES OF THE SCHEME:

- a) The Scheme is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (to the extent notified and applicable, and as amended from time to time) for scheme of amalgamation of Transferor Company and Transferee Company.
- b) The Transferor Company and Transferee Company shall make applications and/or petitions under Section 230 read with Section 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 to the NCLT for sanction of this Scheme and all matters ancillary or incidental thereto.
- c) The Transferee Company has not made any proposal for capital or debt restructuring.
- d) The valuation report is not required as the Scheme is between a holding Company and its wholly owned subsidiary.
- e) **“Appointed Date”** means April 1, 2020 or such other date as may be approved by the NCLT.
- f) **“Effective Date”** means the date or the last of the dates on which the conditions referred to in Clause 16 of the Scheme have been fulfilled.
- g) On the Scheme becoming effective, the Transferor Company and Transferee Company shall account for the arrangement in their books as per the applicable accounting principles and accounting standards as prescribed under the Companies Act, 2013.
- h) This Scheme is conditional upon and subject to the following:
 - (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.
- i) **Share exchange ratio:** The Transferor Company is a wholly owned subsidiary of the Transferee Company. On account of the foregoing, upon the Scheme becoming effective, no equity shares of the Transferee Company shall be allotted as consideration for the amalgamation under Part C of the Scheme in lieu of or in exchange for the direct or indirect holding in the Transferor Company.

You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof. The aforesaid are only some of the key provisions of the Scheme.

8. CAPITAL STRUCTURE PRE AND POST MERGER:

- a) The pre-merger capital structure of the Transferee Company is mentioned in paragraph 4.1 (d) above.
- b) The pre-merger capital structure of the Transferor Company is mentioned in paragraph 4.2 (d) above.
- c) Upon the Scheme coming into effect, there will not be any change in the capital structure of the Transferee Company.
- d) The post-merger capital structure of the Transferee Company will be same as follows:

Particulars	Amount in INR
Authorized capital	
15,05,00,000 Equity shares of Rs.10/- each	150,50,00,000
TOTAL	150,50,00,000
Issued, subscribed and paid-up	
7,41,52,940 Equity shares of Rs.10/- each	74,15,29,400
TOTAL	74,15,29,400

9. DISCLOSURE ABOUT EFFECT OF SCHEME ON MATERIAL INTERESTS OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND DEBENTURE TRUSTEE:

The directors or key managerial personnel of the Transferor Company and Transferee Company and relatives of the aforementioned persons may be deemed to be concerned and/or interested in the Scheme only to the extent of their shareholding directly in the respective companies that are the subject of the Scheme, or to the extent the said persons are interested or involved in any of the companies that are the subject of the Scheme or any entity that directly holds shares in any of the companies. The Transferor Company and Transferee Company do not have any debenture trustees.

10. DISCLOSURE ABOUT THE EFFECT OF THE SCHEME ON:

- a) **Key managerial personnel:** The implementation of the proposed Scheme shall not adversely affect any of the key managerial personnel of the Transferor Company and Transferee Company.
- b) **Directors:** The implementation of the proposed Scheme shall not adversely affect the directors of the Transferor Company and Transferee Company.
- c) **Promoters:** The implementation of the proposed Scheme shall not adversely affect the promoters of the Transferor Company and Transferee Company.
- d) **Non-promoter members:** The implementation of the proposed Scheme shall not adversely affect the non-promoter members of the Transferor Company and Transferee Company.
- e) **Depositors:** Not applicable, as there are no depositors in the Transferor Company and Transferee Company.
- f) **Creditors:** The implementation of the proposed Scheme shall not adversely affect the creditors of the Transferor Company and Transferee Company.
- g) **Debenture holders:** Not applicable, as there are no debenture holders in the Transferor Company and Transferee Company.
- h) **Deposit trustee and debenture trustee:** Not applicable, as there are no debenture holders/depositors in the Transferor Company and Transferee Company.

- i) **Employees of the Company:** The implementation of the proposed Scheme shall not adversely affect the employees of the Transferor Company and Transferee Company.

11. DETAILS OF CREDITORS OF THE COMPANY:

As on January 15, 2021, the Transferee Company has 1,064 (One Thousand and Sixty Four only) unsecured trade creditors amounting to the value of Rs.1,98,19,00,140/- (Rupees One Hundred and Ninety Eight Crores Nineteen Lakhs One Hundred and Forty only).

12. GENERAL

- a) The Transferor Company and the Transferee Company have made an application before the NCLT for the sanction of the Scheme under Section 230 to Section 232 of the Companies Act, 2013.
- b) In relation to the meeting of the unsecured trade creditors of the Transferee Company whose names are appearing in the records of the Company as on January 15, 2021 shall be eligible to attend the meeting of the unsecured trade creditors of Transferee Company through video conferencing/other audio visual mode (VC/OAVM).
- c) None of the directors, promoters, non-promoter, members and key managerial personnel of the Transferor Company and the Transferee Company or their respective relatives are in any way connected or interested in the aforesaid resolution except to the extent of their shareholding.
- d) The Transferor Company and Transferee Company have not proposed for any capital or debt restructuring.
- e) There is no likelihood that any equity shareholders, secured creditors and unsecured trade creditors of the concerned companies would lose or be prejudiced as a result of this Scheme being passed since no sacrifice or waiver is, at all, called for from them, nor are their rights sought to be modified in any manner. Hence, the arrangement will not cast any additional burden on the shareholders or creditors of either company, nor will it affect the interest of any of the shareholders or creditors.
- f) There are no winding up proceedings pending against the Transferor Company and Transferee Company as of date.
- g) No investigation or proceedings are pending under the provisions of the Companies Act, 2013 or under the provisions of the Companies Act, 1956 in respect of the Transferor Company and Transferee Company.
- h) The Transferor Company and Transferee Company are required to seek approvals/ sanctions/ no-objections from certain regulatory and governmental authorities for the Scheme such as the Registrar of Companies, regional director and will obtain the same at the relevant time.
- i) Names and addresses of the directors and promoters of the Transferee Company are as under:

Name and address of director	Name and address of promoter
Mr. Gaurav Maheshwari 8-2-120/45/3/4B, Flat No 403, Jyothi Nest, Road no 2, Banjara Hills, Hyderabad- 500034	Signode Netherlands BV Hallenweg 3, 5683 CT Best, Netherlands
Mr. Lakshmi Namburi Narayana Raju 8-2-120/112/A/14, Road No 9, Jubilee Hills, Hyderabad-500033	
Mr. Richard Eben Morgan 2527 Marcy Ave, Evanston, USA 60201	
Mr. Krishna Kumar A 223, Casa Grand Elan, Jaganath Meadows Street, Thalambur, Kancheepuram, Chennai 600103	

j) Names and addresses of the directors and promoters of the Transferor Company are as under:

Name and address of director	Name and address of promoter
Mr. Gaurav Maheshwari 8-2-120/45/3/4B, Flat No 403, Jyothi Nest, Road no 2, Banjara Hills, Hyderabad- 500034	Signode India Limited 8-2-120/45/3/4B, Flat No 403, Jyothi Nest, Road no 2, Banjara Hills, Hyderabad- 500034
Mr. Santosh Chandra Tandon D-42, Rustomjee Central Park, Andheri Kurla Road, Near Holy Family Church, Chakala, Mumbai- 400093	

k) The Board of the Transferee Company approved the Scheme on December 28,2020. Details of directors of the Transferee Company who voted in favour of / against / did not vote or participate in the resolution of meeting of the Board of the Transferee Company are given below:

Name of Director	Voted in favour of / against / did not vote/ participate
Mr. Gaurav Maheshwari	Voted in favour of the resolution
Mr. R.V.S. Ramakrishna	Voted in favour of the resolution
Mr. G, Ravindra Babu	Voted in favour of the resolution
Mr. Lakshmi Namburi Narayana Raju	Voted in favour of the resolution
Mr. Richard Eben Morgan	Did not participate
Mr. Nils Alfons Michael Stenger	Voted in favour of the resolution
Ms. Patricia Marie Anne Chidiac	Did not participate
Mr. Krishna Kumar	Voted in favour of the resolution

l) The Board of Directors of the Transferor Company approved the Scheme on December 28, 2020. Details of directors of the Transferor Company who voted in favour of/ against / did not vote or participate in the resolution of meeting of the Board of the Transferor Company are given below:

Name of Director	Voted in favour of / against / did not vote/ participate
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Mr. Gaurav Maheshwari	Voted in favour of the resolution
Mr. Nils Alfons Michael Stenger	Did not participate
Mr. Santosh Chandra Tandon	Voted in favour of the resolution

- m) The Transferor Company and Transferee Company do not have any depositors, debenture holders and debenture trustees. The Scheme will not have any impact on the employees of the Transferor Company as they would continue to be in employment of the Transferee Company without any change in their terms of employment on account of the Scheme. Further, no change in the composition of the Board of the Transferee Company is envisaged on account of the Scheme.
- n) The Hon'ble NCLT has appointed Ms. Satyasiri Atluri, as the Chairperson for the aforesaid Tribunal convened Meeting. Further, the Tribunal has also appointed Ms. Anantha Lakshmi, as the Scrutinizer for the Tribunal Convened Meeting.
- o) This statement may be treated as an explanatory statement under Section 230 (3) read with Section 102 of the Companies Act, 2013.
- p) As specified under rule 6 (3)(ix) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the following documents will be available for obtaining extracts from or for making or obtaining copies of or for inspection by the unsecured trade creditors of the Transferee Company (i) on the website of the Transferee Company; and (ii) at its registered office on all days except Saturday, Sunday and public holidays between 10:00 a.m. to 5:00 p.m. up to and including the date of the Meeting:
- (i) Copy of the order dated 8th April, 2021 and 9th July 2021 of the NCLT in Company Application No. CA/30/ 2021 in CA(CAA)No.22/230/HDB/2021 directing the convening of the meeting of the unsecured trade creditors of the Transferee Company;
 - (ii) Audited financial statements including consolidated financial statements of the Transferee Company and audited financial statements of the Transferor Company for the financial year ended March 31, 2020;
 - (iii) Supplementary Accounting Statement of Transferor Company and Transferee Company for the period April 1, 2020 to November 30, 2020;
 - (iv) Copies of the Memorandum of Association and Articles of Association of Transferor Company and Transferee Company;
 - (v) Copy of the Scheme;
 - (vi) The certificates issued by respective statutory auditors of Transferor Company and Transferee Company, to the effect that the accounting treatment, proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013; and
 - (vii) Such other information or documents as the Board or management believes to be necessary and relevant for making a decision for or against the Scheme.

Sd/-
Satyasiri Atluri
(Chairperson appointed for the aforesaid Tribunal Convened Meeting)

Dated this 26th day of July, 2021

Place: Hyderabad

Annexure 1

Order of the Hon'ble National Company Law Tribunal, Hyderabad Bench, dated April 8, 2021 and July 9, 2021 along with the Interim Application filed before the Hon'ble National Company Law Tribunal, Hyderabad bench

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH**

**CA(CAA)No.22/230/HDB/2021
Under Sections 230 to 232 of the Companies Act, 2013**

In the matter of:

Stopak India Private Limited
Having its Registered Office at:
3rd Floor, Jyothi Majestic,
H.No.8-2-120/84, Road No.2,
Banjara Hills, Hyderabad – 500034.
(Rep. by its Director, Mr. Gaurav Maheshwari)

...Transferor Company

And

Signode India Limited
Having its Registered Office at:
3rd Floor, Jyothi Majestic,
H.No.8-2-120/84, Road No.2,
Banjara Hills, Hyderabad – 500034.
(Rep. by its Company Secretary, Mr. Ankur Singhal)

...Transferee Company

Date of Order: 08.04.2021

**Coram: Madan B. Gosavi, Member Judicial.
Shri Veera Brahma Rao Arekapudi, Member Technical**

Parties/Counsels present:

For the Applicant: Mr. P. Sriram, PCS

PER BENCH

1. The Present joint Company Application bearing CA(CAA)No.22/230/HDB/2021 is filed by Stopak India Private Limited (Transferor Company) and Signode India Limited (Transferee Company) under section 230 to 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016.

NIP 

2. The present Company Application is filed, inter-alia, seeking the following prayers:-

- i. Dispensing the meeting of Equity shareholders of both Transferor and Transferee Companies.
- ii. Dispensing the meeting of Secured Creditors of the Transferee Company.
- iii. Dispensing the meeting of Unsecured Trade Creditors of the Transferor Company.
- iv. Convening the meeting of Unsecured Trade Creditors of the Transferee Company.

3. The Registered Office of the Applicant Companies are situated in the State of Telangana and therefore, it is within the jurisdiction of this Tribunal.

4. Brief facts leading to the filing of the instant application are as follows:

I) In respect of the Transferor Company:

As on 31.03.2020

Particulars	Amount (Rs)
<u>Authorized Share Capital</u>	
50,00,000 Equity shares of Re.1/- each	50,00,000
<u>Issued, Subscribed and paid-up Capital</u>	5,58,012
5,58,012 Equity shares of Re.1/- each, fully paid up	

The main objects of the Transferor Company are to carry on the business of manufacture, trade, export, import of Packaging Products for Bulk Packaging industry and other related products, services and activities in joint venture with Stopak (ptv) Ltd.,etc.

II) In respect of the Transferee Company:

As on 31.03.2020

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

The main objects of the Transferee Company are to carry on business as traders, manufacturers, producers, assemblers, dealers, importers, exporters, stockists, distributors, agents, fabricators, service providers and consultants of packaging materials, tools etc.

5. It is further stated that the Board of Directors of the Transferor and Transferee Companies in their Board Meetings held on 28.12.2020, approved the Scheme for Amalgamation between Transferor Company and Transferee Company subject to the approval of their Shareholders and Creditors.

6. It is stated that no proceedings/Investigation are pending against any of the Applicant Companies.

7. The Transferor Company has filed certificate of Chartered Accountant stating that as on 15.01.2021 there are two Equity Shareholders in the Transferor Company and both the Equity Shareholders have given their respective consent affidavits agreeing to the proposed Scheme. (Placed at Page Nos. 305, 307-312)

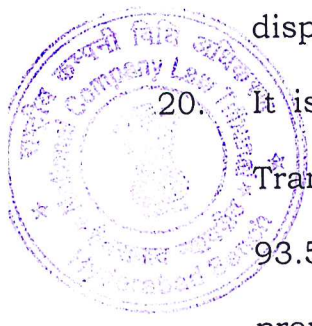
8. The Transferee Company has filed certificate of Chartered Accountant stating that as on 15.01.2021 there are 7 Equity Shareholders in the Transferee Company and all the 7 Equity Shareholders have given their

respective consent affidavits agreeing to the proposed Scheme. (Placed at Page Nos. 368-412)

9. The Transferor Company has filed certificate of Chartered Accountant stating that as on 15.01.2021 there are no Secured Creditors and Unsecured Loan Creditors in the Transferor Company.(Placed at Page No.313)
10. The Transferee Company has filed certificate of Chartered Accountant stating that as on 15.01.2021 there are two Secured Creditors comprising in value of Rs.75,10,48,097/- in the Transferee Company. The Secured Creditors aggregating to Rs.72,08,44,364/- constituting 95.97% have given their respective consent affidavits agreeing to the proposed Scheme. (Placed at Page Nos.413 & 414)
11. The Transferor Company has filed certificate of Chartered Accountant stating that as on 15.01.2021 there are 14 Unsecured Trade Creditors in the Transferor Company. 11 out of 14 Unsecured Trade Creditors aggregating to Rs.8,92,82,939.26/- constituting 93.54% have given their respective consent affidavits agreeing to the proposed Scheme. (Placed at Page Nos.313-314 & 316-367)
12. The Transferee Company has filed certificate of Chartered Accountant stating that as on 15.01.2021 there are 1,064 Unsecured Trade Creditors in the Transferee Company. (Placed at Page Nos.415)
13. The Transferee Company has filed certificate of Chartered Accountant stating that as on 15.01.2021 there are no Unsecured Loan Creditors in the Transferee Company.(Placed at Page No.415)
14. Heard the submissions made in this regard by Mr. P. Sriram, PCS for the Applicant Companies.
15. It is noted that both the Equity Shareholders of the Transferor Company have given their consent affidavits agreeing to the proposed Scheme and

hence the meeting of the Equity Shareholders of the Transferor Company is dispensed with.

16. It is noted that both the Equity Shareholders of the Transferee Company have given their consent affidavits agreeing to the proposed Scheme and hence the meeting of the Equity Shareholders of the Transferee Company is dispensed with.
17. It is noted that there are no Secured Creditors and Unsecured Loan Creditors in the Transferor Company and hence there is no need to convene their meeting.
18. It is noted that there are no Unsecured Loan Creditors in the Transferee Company and hence there is no need to convene their meeting.
19. It is noted that the Secured Creditors aggregating to Rs.72,08,44,364/- constituting 95.97% in the Transferee Company have given their respective consent affidavits agreeing to the proposed Scheme and hence the meeting of the Secured Creditors of the Transferee Company is dispensed with.
20. It is noted that the 11 out of 14 Unsecured Trade Creditors of the Transferor Company aggregating to Rs.8,92,82,939.26/- constituting 93.54% have given their respective consent affidavits agreeing to the proposed Scheme and hence the meeting of the Unsecured Trade Creditors of the Transferor Company is dispensed with.
21. With regard to the Unsecured Trade Creditors of the Transferee Company, this Tribunal passes the following order:-
 - a. A meeting of the Unsecured Trade Creditors of the Transferee Company shall be held on 04.06.2021 at 11.00 AM through Video Conference/other Audio Visual Means in terms of Ministry of Affairs General Circular No.39/2020 read with Ministry's General Circulars No.14/2020; 17/2020; 22/2020 and No.33/2020 dated 08.04.2020, 13.04.2020, 15.06.2020 and 28.09.2020 respectively,



for the purpose of considering and if, thought fit, approving with or without modification(s) the Amalgamation embodied in the Scheme.

- b. Ms. Siri Atluri, Advocate (Mobile No. 91210 08120) is appointed as the Chairman for the aforesaid meeting and in respect of any adjournment thereof.
- c. Ms. Anantha Lakshmi, Advocate (Mobile No. 80080 12987) is appointed as the Scrutinizer for the aforesaid meeting and in respect of any adjournment thereof.
- d. The remuneration of Chairman is fixed at Rs. 1,00,000/- (Rupees One Lakh only) for each meeting and remuneration of the scrutinizer is fixed at Rs. 75,000/- (Rupees Seventy Five Thousand only) for each meeting.

19. At least one month before 04.06.2021 i.e., the date of the aforesaid meetings, an advertisement about convening of the said meetings, indicating the day, date, place and time, as aforesaid, shall be published in Business Standard (in English) and in Nava Telangana (in Telugu). The publication shall indicate the time within which copies of scheme shall be made available to the concerned persons free of charge from the registered office of the Transferee Company. The publication shall also indicate that the statement required to be furnished pursuant to Section 102 of the Act read with Sections 230 to 232 of the Act and the prescribed form of proxy can be obtained free of charge at the registered office of the Transferee Company or at the office of its Counsel i.e. #10/17 Anandam Colony, South Canal Bank Road, Mandaveli Chennai - 600028 in accordance with second proviso to sub-section (3) of Section 230 and Rule 7 of the Companies (CAA) Rules, 2016.

20. The Chairperson/Chairman appointed for the aforesaid meetings shall issue the advertisements and send out the notices of the meeting referred to above. The Chairperson/Chairman is free to avail the



services of the Transferee Company or any agency for carrying out the aforesaid directions. The Chairperson/Chairman shall have all the powers under the Articles of Association of the Transferee Company and also under the Rules in relation to the conduct of the meeting, including for deciding any procedural questions that may arise at the meeting or adjournment(s) to the aforesaid scheme or resolution, if any, proposed at the aforesaid meeting by any person(s) and to ascertain the decision of the sense of the meeting by ballot/polling paper at the venue of the meeting.

21. The quorum for the meeting shall consists of 10 Creditors.
22. Voting by proxy/authorised representatives is permitted provided that the proxy in the prescribed form/authorisation duly signed by the person entitled to attend and vote at the aforesaid meeting is filed with the Transferee Company at the Registered Office i.e. 3rd Floor, Jyothi Majestic, H.No.8-2-120/84, Road No. 2, Banjara Hills, Hyderabad - 500034, not later than 48 hours before the meetings vide Rule 10 of the Companies (CAA) Rules, 2016 read with Section 105 of the Act.
23. If a Body Corporate chooses to attend and vote by e-voting at the meeting held in Virtual Mode or via remote e-voting, a scanned copy of board resolution/authorisation shall be sent by email to the Scrutinizer.
24. Voting in the meetings to be held in Virtual Mode shall be by e-Voting only. Further, for the aforesaid meetings of the Equity Shareholders, Secured and Unsecured Creditors of the Applicant Company, facility of voting by remote e-voting shall also be provided during the period from 01.06.2021 (11.00 AM IST) to 02.06.2021 (5.00 PM IST). The facility for remote e-voting shall be disabled at 5.00 PM on 02.06.2021.
25. The Chairperson/Chairman to file an Affidavit not less than 7 (seven) days before the date fixed for the holding of the meetings and to report to this Tribunal that the directions regarding issuance of notices and



प्रमाणित प्रति
CERTIFIED TRUE COPY

केस नं०

CASE NUMBER CA(CAA)No.22/230/HDB/2021

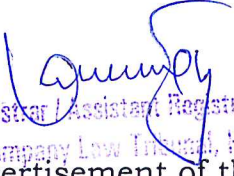
प्राप्त दिनांक

DATE OF JUDGEMENT 8/4/2021 CA(CAA)No.22/230/HDB/2021

प्रति केस नं०

Date of Order: 08.04.2021

COPY MADE READY ON 17/5/2021


Deputy Registrar / Assistant Registrar / Court Officer
National Company Law Tribunal, Hyderabad Bench


advertisement of the meeting have been duly complied with as per Rule 12 of the Companies (CAA) Rules, 2016.

26. It is further ordered that the Chairperson/Chairman shall report to this Tribunal on the result of the meeting in Form No. CAA-4, duly verified by his affidavit, as per Rule 14 of the Companies (CAA) Rules, 2016 within seven working days.

27. In compliance of sub section(5) of Section 230 of the Act and Rule 8 of the Companies (CAA) Rules, 2016, all the applicant companies shall send notice under sub section (3) of Section 230 read with Rule 6 of the Rules with a copy of the scheme of Arrangement; the explanatory statement and the disclosures mentioned in Rule 6 to (a) the Central Government through the Regional Director, South Eastern region; (b) the Registrar of Companies, Telangana (c) the Income Tax Authorities and (d) the Official Liquidator. The said notices be sent either by Registered Post or by Speed Post or by Hand Delivery at the Offices of the authorities as required by sub rule (2) of Rule 8 of the Rules. The aforesaid authorities, who desire to make any representation under sub section (5) of section 230 shall send the same to this Tribunal within a period of 30 (thirty) days from the date of receipt of such notice, failing which it shall be deemed that they have no representation to make on the proposed Scheme.

28. The Company Application i.e. CA(CAA)No.22/230/HDB/2021 is disposed of accordingly.


VEERA BRAHMA RAO AREKAPUDI
MEMBER TECHNICAL


MADAN B. GOSAVI
MEMBER JUDICIAL

FORM NO. NCLT- 1

(RULE 34 OF NATIONAL COMPANY LAW TRIBUNAL RULES, 2016)

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL BENCH AT HYDERABAD

IA/ /2021

IN

COMPANY APPLICATION No. CA(CAA)/No.22/230/HDB/2021

IN THE MATTER OF SECTION 230 TO 232 COMPANIES ACT, 2013

AND

IN THE MATTER OF SCHEME OF AMALGAMATION

OF

STOPAK INDIA PRIVATE LIMITED

(TRANSFEROR COMPANY)

WITH

SIGNODE INDIA LIMITED

(TRANSFeree COMPANY)

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

STOPAK INDIA PRIVATE LIMITED

(CIN: U21024TG2008PTC146404)

A company registered under Companies Act of 1956

Having its registered office at 3rd Floor, Jyothi Majestic,

H. No. 8-2-120/84, Road No. 2, Banjara Hills, Hyderabad- 500034

Represented by Mr. Gaurav Maheshwari, Director

.....Applicant Company No.1/Transferor Company

For Signode India Limited


Company Secretary

SIGNODE INDIA LIMITED

(CIN: U74950TG2003PLC091521)

A company registered under Companies Act of 1956

Having its registered office at 3rd Floor, Jyothi Majestic,

H. No. 8-2-120/84, Road No. 2, Banjara Hills, Hyderabad- 500034

Represented by Mr. Ankur Singhal, Company Secretary

...Applicant Company No.2/Transferee Company

INTERLOCUTORY APPLICATION FILED UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 AND THE NATIONAL COMPANY LAW TRIBUNAL RULES, 2016

I. Details of the Application:

The present Application is being filed by the Transferee Company involved in the present Scheme of Amalgamation, i.e., Stopak India Private Limited (Transferor Company) with Signode India Limited (Transferee Company). The said Applicant Company mentioned herein shall be referred to as the "**Applicant/Transferee Company**".

II. **PARTICULARS OF RESPONDENT(S):**

There is no Respondent for this Application.

For Signode India Limited


Company Secretary

III. JURISDICTION OF THE BENCH:

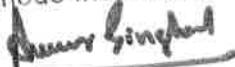
The Applicant Companies declares that the subject matter of the Application is within the jurisdiction of the National Company Law Tribunal, Hyderabad Bench as the Registered Office of the Applicant Companies are situated within the State of Telangana.

IV. LIMITATION:

The Applicant Companies hereby submit that there is no limitation period prescribed under the National Company Law Tribunal Rules, 2016 for filing the Application under Sections 230 to 232 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

V. FACTS OF THE CASE:

1. The Transferor Company and Transferee Company had filed a Joint Application under Sections 230 to 232 of the Companies Act, 2013, seeking directions from this Hon'ble Tribunal for convening the meeting of the Unsecured Trade Creditors of the Transferee Company for considering and approving the Scheme of Amalgamation of Stopak India Private Limited (Transferor Company) with Signode India Limited (Transferee Company)
2. The aforesaid Joint Application came up for hearing before the Hon'ble Tribunal on April 8, 2021 and the same was heard by the Hon'ble Tribunal through Video Conference.
3. The Hon'ble Tribunal had vide their Order dated April 8, 2021 had dispensed with the meeting of the Equity Shareholders of the Applicant Companies, Unsecured Trade Creditors of the Transferor Company and Secured Creditors of Transferee Company. The said order had directed for convening the meeting of the Unsecured Trade Creditors of the Transferee Company on June 4, 2021 at 11:00 A.M, through Video Conferencing/Other

For Signode India Limited

Company Secretary

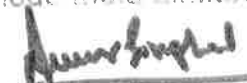
Audio Visual Means and had appointed Ms. Siri Atluri, Advocate as the Chairperson and Ms. Anantha Lakshmi, Advocate as the Scrutinizer for the meeting.

4. The Hon'ble Tribunal had also vide the aforesaid Order directed the Chairperson to issue the advertisements and send the Notices to the Unsecured Trade Creditors at least one month before the date fixed for the meeting. Accordingly, the Notices to the Unsecured Trade Creditors of the Transferee Company ought to have been sent on or before May 4, 2021.
5. The copy of the Order of the Hon'ble Tribunal dated 8th April, 2021 was made ready by the office of the Hon'ble Tribunal on May 17, 2021 and the order was issued vide Email to the Authorized Representative of the Applicant Companies on May 25, 2021.

VI. Relief(s) sought:

1. Considering the fact that the date of the meeting of the Unsecured Trade Creditors of the Transferee Company as directed by the Hon'ble Tribunal was June 4, 2021 and the copy of the Order received by the Authorized Representative on May 25, 2021, there was paucity of time in complying the order in letter and spirit more specifically with the dates associated for holding the Meeting. Hence the undersigned prays before the Hon'ble Tribunal to order a fresh date for holding the meeting of the Unsecured Trade Creditor of the Transferee Company.
2. The Applicant hereby humbly request the Hon'ble Tribunal to order a fresh date of the Meeting of the Unsecured Trade Creditors of the Transferee Company and pass the following orders regarding the convening and conducting the meeting of the Unsecured Trade Creditors of Signode India Limited (Transferee Company):

For Signode India Limited



Company Secretary

- a. The meeting of the Unsecured Trade Creditors of the Transferee Company to be convened and conducted on August 30, 2021 at 4 P.M. through Video Conferencing/Other Audio Visual Means or such other dates with a gap at least of 45 days from the date of the Order as the Hon'ble Tribunal deems fit.
- b. That the advertisement about convening the meeting shall be made at least one month before the date of the meeting as fixed by the Hon'ble Tribunal.
- c. That for the aforesaid meeting of the Unsecured Trade Creditors of the Transferee Company, the facility of voting by remote e-voting shall be provided during the period from August 27, 2021 (9.00 AM IST) to August 29, 2021 (5.00 PM IST). The facility for remote e-voting shall be disabled at 5.00 PM on August 29, 2021.

An Affidavit confirming the Application is annexed herewith as **Annexure 1**.

VII. PARTICULARS EVIDENCING PAYMENT OF FEE FOR THE APPLICATION MADE ARE AS UNDER:

The payment of Rs. 1000/- (Rupees One Thousand only) was made vide Bharat Kosh, the same is annexed hereto with this Affidavit as **Annexure 2**.

For Signode India Limited

Company Secretary



BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, HYDERABAD BENCH

IN THE MATTER OF SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013

IN THE MATTER OF SIGNODE INDIA LIMITED

AND

IN THE MATTER OF SCHEME OF AMALGAMATION

OF

STOPAK INDIA PRIVATE LIMITED

(TRANSFEROR COMPANY)

WITH

SIGNODE INDIA LIMITED

(TRANSFeree COMPANY)

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

SIGNODE INDIA LIMITED

(CIN: U74950TG2003PLC091521)

A company registered under Companies Act of 1956

Having its registered office at 3rd Floor, Jyothi Majestic,

H. No. 8-2-120/84, Road No. 2, Banjara Hills, Hyderabad- 500034

Represented by Mr. Ankur Singhal, Company Secretary

.... Applicant/Transferee Company



For Signode India Limited

Company Secretary

AFFIDAVIT VERIFYING APPLICATION

I, Ankur Singhal, S/o. Mr. Ved Prakash Singhal, aged 40 years residing at D-1402, Ramky Towers, Mindspace Rd., P Janardhan Reddy Nagar, Gachibowli, Hyderabad- 500032 do solemnly affirm and say as follows:

1. I am the Company Secretary of SIGNODE INDIA LIMITED, the Applicant/Transferee Company in the above matter and am duly authorized by the said Applicant/Transferee Company to make this Affidavit on its behalf.
2. The statements made in paragraphs I and V of the application herein now shown to me are true to my knowledge and the statements made in Para VI are based on information and I believe them to be true. The Para VI deals with the Relief Sought.

For SIGNODE INDIA LIMITED

For Signode India Limited


Company Secretary

.....
ANKUR SINGHAL

COMPANY SECRETARY

ICSI MEMBERSHIP NO.: F7259



VERIFICATION

Verified at Hyderabad on the 28th Day of June 2021 that the contents of the above affidavit are true to my knowledge, no part of it is false and nothing material has been concealed or suppressed therefrom.

For SIGNODE INDIA LIMITED

For Signode India Limited


Company Secretary


ANKUR SINGHAL

COMPANY SECRETARY

ICSI MEMBERSHIP NO.: F7259

Solemnly affirmed before me on the 28th Day of June 2021



ATTESTED

B. AGAIAH, B.A., LL.M.
ADVOCATE/NOTARY
Indra Prasth Alwyn Colony,
Miyapur, R.R. Dist. G.O.M.S.No.1972/121
My Commission Expires on 15-11-2021

28 JUN 2021

**NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH
COURT HALL NO:II**

SPECIAL BENCH(Video Conference)

**CORAM: HON'BLE MADAN BHALCHANDRA GOSAVI – MEMBER JUDICIAL
HON'BLE DR.BINOD KUMAR SINHA-MEMBER TECHNICAL**

ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF NATIONAL COMPANY LAW TRIBUNAL,
HYDERABAD BENCH, HELD ON 09.07.2021 AT 12:30 PM THROUGH VIDEO CONFERENCE

TRANSFER PETITION NO.	
COMPANY PETITION/APPLICATION NO.	CA/30/2021 in CA(A) Merger & Amalgamation/22/2021
NAME OF THE COMPANY	Stopak India Pvt Ltd (Transferor Co.) & Signode India Ltd (Transferee Co.)
NAME OF THE PETITIONER(S)	
NAME OF THE RESPONDENT(S)	
UNDER SECTION	230

Counsel for Petitioner(s):

Name of the Counsel(s)	Designation	E-mail & Telephone No.	Signature

Counsel for Respondent(s):

Name of the Counsel(s)	Designation	E-mail & Telephone No.	Signature

ORDER

Heard the learned counsel for the applicant. We allow this application as prayed for permitting the applicant to hold meeting of unsecured creditors. The CA stands disposed of accordingly.

-sdl-

MEMBER (TECHNICAL)

-sdl-

MEMBER (JUDICIAL)

Karim

Annexure 2
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**”).

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

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, 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 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.

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 mean 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 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, 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.

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.

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 TRANSFEE 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 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 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.

- 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 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 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 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.

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.

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.

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.

12. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEE 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.

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.

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.

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 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.

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.

Annexure 3

Audited Financials of Signode India Limited as on March 31, 2020

Price Waterhouse & Co Chartered Accountants LLP

Independent auditor's report

To the Members of Signode India Limited

Report on the audit of the Standalone financial statements

Opinion

1. We have audited the accompanying standalone financial statements of Signode India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in equity, Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw your attention to Note 39 to the financial statements, which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Company. The management believes that no adjustments are required in the financial statements as it does not impact the current financial year, however, in view of the various preventive measures taken (such as lock-down restrictions by the Government of India, travel restrictions etc.) and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

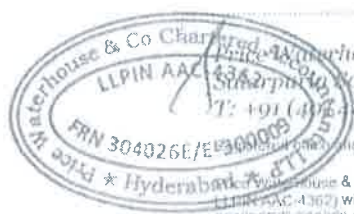
In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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For Signode India Limited

Company Secretary



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Responsibilities of management and those charged with governance for the financial statements

6. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

11. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
12. As required by Section 143(3) of the Act, we report that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29(a) to the financial statements.
 - The Company has long-term contracts as at March 31, 2020 for which there were no material foreseeable losses. The Company did not have any derivative contracts.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2020.
 - The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2020.




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13. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse & Co Chartered Accountant LLP

Firm Registration Number: 304026E/E-300009

Chartered Accountants



Dhiraj Kumar

Partner

Membership Number: 060466

UDIN: 20060466AAAADH9286

Place: Hyderabad

Date: October 05, 2020

CERTIFIED TRUE COPY

For Signode India Limited


Company Secretary

Price Waterhouse & Co Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 12(f) of the Independent Auditors' Report of even date to the members of Signode India Limited on the standalone financial statements for the year ended March 31, 2020

Page 1 of 2

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Signode India Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.



Price Waterhouse & Co Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 12(f) of the Independent Auditors' Report of even date to the members of Signode India Limited on the standalone financial statements for the year ended March 31, 2020

Page 2 of 2

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Also refer to paragraph 4 of our main audit report.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009
Chartered Accountants



Dhiraj Kumar
Partner
Membership Number
UDIN: 20060466AAAADH9286

Place: Hyderabad
Date: October 05, 2020

CERTIFIED TRUE COPY
For Signode India Limited

Company Secretary

Price Waterhouse & Co Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Signode India Limited on the standalone financial statements as of and for the year ended March 31, 2020

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant & Equipment.
- (b) The Property, Plant & Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in Note 3A on Property, Plant & Equipment to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 29(c) to the financial statements regarding management's assessment on certain matters relating to provident fund.

Further, for the month of March 2020, the company has paid Goods and Service Tax and filed GSTR 3B (after the due date but) within the timelines allowed by Ministry of Finance (Department of Revenue) Central Board of Indirect Taxes and Customs under the Notification Number. 32/2020 - Central Tax dated April 3, 2020 on fulfilment of conditions specified therein.

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of goods and service tax which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax as at March 31, 2020 which have not been deposited on account of a dispute, are as follows:



Price Waterhouse & Co Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Signode India Limited on the standalone financial statements for the year ended March 31, 2020
Page 2 of 3

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Tax	Excise Duty	47.60	2007-11	CESTAT, Ahmedabad
Customs Act	Customs Duty	19.44	1995-96	Chennai, High Court
Finance Act, 1994	Service Tax	15.16	2009-11	Commissioner (Appeals), Vapi
		14.21	2010-11	Commissioner, Ahmedabad
		25.75	2004-12	CESTAT, Ahmedabad
Various Sales Tax Acts	Central Sales Tax & VAT	6.71	1999-02	Commissioner (Appeals), Kolkata
	Central Sales Tax & VAT	16.29	1999-00 2012-14	Commissioner (Appeals), Rourkela
	Central Sales Tax & VAT	84.54	2008-14	Commissioner (Appeals), Andhra Pradesh
	Central Sales Tax & VAT	4.60	1997-98 2005-06	Commissioner (Appeals), Chennai
	Central Sales Tax & VAT	146.79	2009-13	Commissioner (Appeals), Jamshedpur
	Central Sales Tax & VAT	1,630.95	2008-16	Commissioner (Appeals), Maharashtra
	Central Sales Tax & VAT	17.32	2014-15	Commissioner (Appeals), Silvassa
	Central Sales Tax & VAT	54.49	2014-15	Commissioner (Appeals), Haryana
Income Tax Act, 1961	Income Tax	235.44	2013-14	ITAT
		7,290.19	2014-15 & 2016-17	Commissioner of Income Tax (Appeals)

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- xi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.



Price Waterhouse & Co Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Signode India Limited on the standalone financial statements for the year ended March 31, 2020

Page 3 of 3

- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration Number: 304026E/E-300009

Chartered Accountants



Dhiraj Kumar

Partner

Membership Number: 060466

UDIN: 20060466AAAADH9286

Place: Hyderabad

Date: October 05, 2020

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For Signode India Limited

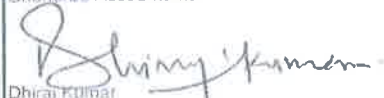


Company Secretary

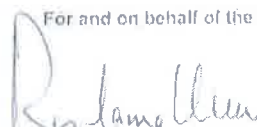
Signode India Limited
Standalone Balance Sheet as at March 31, 2020


Particulars	Note No.	As at	As at
		March 31, 2020	March 31, 2019
		₹ in lakhs	₹ in lakhs
A ASSETS			
I Non-current assets			
(a) Property, plant and equipment	3A	19,333.38	20,115.76
(b) Capital work-in-progress	3A	260.81	681.33
(c) Goodwill	3B	46,869.88	46,869.88
(d) Other Intangible assets	3A	248.87	378.71
(e) Right-of-use assets	3D	2,183.35	-
(f) Financial assets			
(i) Investments	4	3,106.75	3,106.75
(ii) Other financial assets	5	1,474.88	1,332.15
(g) Other non-current assets	6	3,324.61	3,434.93
(h) Non-Current tax asset (net)	19	1,054.80	368.60
Total non-current assets		79,857.33	78,288.12
II Current assets			
(a) Inventories	7	14,745.39	14,841.03
(b) Financial assets			
(i) Trade receivables	8	30,616.19	28,309.01
(ii) Cash and cash equivalents	9	8,629.43	3,139.15
(iii) Other financial assets	5	745.46	902.96
(c) Contract assets	10	7,500.94	5,426.14
(d) Other current assets	6	2,130.90	2,215.77
Total current assets		64,368.31	54,834.06
Total assets		1,44,225.64	1,33,122.18
B EQUITY AND LIABILITIES			
I Equity			
(a) Equity share capital	11	7,415.29	8,253.61
(b) Other equity	12	93,333.34	90,309.48
Total equity		1,00,748.63	98,563.10
II Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	-	189.10
(ii) Lease liabilities	3D	349.83	-
(b) Provisions	14	333.78	143.72
(c) Deferred tax liabilities (net)	15	9,355.35	5,932.57
Total non-current liabilities		10,038.96	6,265.39
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	2,835.60	5,000.00
(ii) Lease liabilities	3D	400.08	-
(iii) Trade payables	16	27,505.72	20,229.15
(iv) Other financial liabilities	17	909.56	1,240.75
(b) Contract liabilities	18	1,039.37	712.32
(c) Provisions	14	183.50	99.88
(d) Other current liabilities	20	564.22	1,011.59
Total current liabilities		33,438.05	28,293.69
Total liabilities		43,477.01	34,559.08
Total equity and liabilities		1,44,225.64	1,33,122.18
Accompanying notes forming part of the standalone financial statements	1 to 41		

In terms of our report attached
For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009
Chartered Accountants


Dhiraj Kolbar
Partner
Membership number: 060466

For and on behalf of the Board of Directors


RVS Ramakrishna
Managing Director


Gaurav Maheshwari
Whole time Director

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D. Chowdhury
Company Secretary


Deep Chowdhury
Chief Financial Officer

Place: Hyderabad
Date: October 5, 2020

For Signode India Limited
Place: Hyderabad
Date: 05/10/2020



Dhiraj Kolbar
Company Secretary



Signode India Limited
Statement of Standalone Profit and Loss for the year ended March 31, 2020


Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
		₹ in lakhs	₹ in lakhs
I Revenue from operations	21	1,32,979.36	1,34,831.53
II Other income	22	1,462.80	1,081.53
III Total Income (I + II)		1,34,442.16	1,35,913.06
IV Expenses			
(a) Cost of materials consumed	23.a	51,003.98	49,303.18
(b) Purchases of stock-in-trade	23.b	28,181.45	30,729.40
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	23.c	(780.13)	669.49
(d) Employee benefits expense	24	21,624.28	20,175.96
(e) Finance costs	25	1,083.08	811.80
(f) Depreciation, amortisation and impairment expense	3C	2,673.52	2,383.68
(g) Other expenses	26	9,431.57	10,476.76
Total expenses		1,13,217.75	1,14,550.27
V Profit before tax (III - IV)		21,224.41	21,362.79
VI Tax expense:	27		
(a) Current tax		5,649.76	5,586.36
(b) Deferred tax		1,767.45	1,950.36
(c) Taxes related to prior years		65.47	1.29
		7,482.68	7,540.01
VII Profit for the year (V - VI)		13,741.73	13,822.78
VIII Other comprehensive Income			
(A) Items that will not be re-classified to profit or loss:			
Remeasurements of defined benefit obligation (net)		(160.96)	(96.32)
Income tax relating to items that will not be re-classified to profit or loss		56.25	33.66
Total other comprehensive income (net of tax)		(104.71)	(62.66)
Total comprehensive Income for the year (VII+VIII)		13,637.02	13,760.12
IX Earnings per equity share (of Rs. 10/-each)- Basic and diluted	28	17.31	14.61
Accompanying notes forming part of the standalone financial statements	1 to 41		


In terms of our report attached
For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009
Chartered Accountants



Dhiraj Kumar
Partner
Membership number: 060466

Place: Hyderabad
Date: October 5, 2020

For and on behalf of the Board of Directors


RVS Ramakrishna
Managing Director


Gaurav Maheshwari
Whole time Director


Deep Chowdhury
Chief Financial Officer

Place: Hyderabad
Date: October 5, 2020



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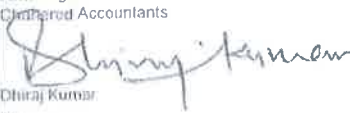
For Signode India Limited


Anurag Singh
Company Secretary

Signode India Limited
 Standalone Cash Flow Statement for the year ended March 31, 2020

(₹ in lakhs)


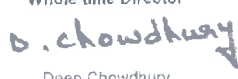
Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
A. Cash flow from operating activities				
Profit before tax		21,224.41		21,362.79
<u>Adjustments to:</u>				
Depreciation, amortisation and impairment expense	2,673.52		2,387.33	
Unrealised exchange loss / (gain) (net)	(299.29)		83.94	
Interest expense	1,083.08		811.89	
Bad debts and advances written off	765.61		56.92	
Provision for loss allowance of trade receivables	(132.64)		612.18	
Cash discount received	(12.78)		(1.48)	
(Profit)/loss on sale of fixed assets (net)	(11.22)		58.36	
Dividend income	(290.71)		-	
Interest income	(369.35)		(659.12)	
Liabilities no longer required written back	(3.74)		(1.74)	
		3,402.48		3,348.21
Operating profit before working capital changes		24,626.89		24,711.00
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Inventories	95.64		(2,576.93)	
Trade receivables	(2,640.37)		(2,509.68)	
Other financial assets	83.69		4,417.20	
Contract assets	(2,074.80)		(5,426.14)	
Other assets	(1,201.42)		(853.11)	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Trade payables	7,241.13		1,072.81	
Other financial liabilities	(95.08)		(1,540.89)	
Contract liabilities	327.05		712.32	
Other liabilities	(447.37)		(507.53)	
Provisions	168.97		(212.22)	
		1,457.44		(7,424.27)
Cash generated from operations		26,084.33		17,286.73
Net income tax (paid)		(4,746.10)		(6,855.83)
Net cash flow from / (used in) operating activities (A)		21,338.23		10,429.90
B. Cash flow from investing activities				
Payments for property, plant and equipments including capital advances	(1,515.57)		(3,023.71)	
Proceeds from sale of property, plant and equipment	50.48		30.22	
Dividend received	290.71		-	
Interest received	300.44		749.59	
		(873.94)		(2,243.90)
Net cash flow from / (used in) investing activities (B)		(873.94)		(2,243.90)
C. Cash flow from financing activities				
Proceeds from / (Repayment) of short-term borrowings	(2,164.40)		5,000.00	
Buyback of equity shares	(10,650.00)		(27,000.00)	
Buyback expenses	(801.49)		(1,371.45)	
Proceeds from / (Repayment) of long-term borrowings	-		48.60	
Principle Payment of lease Liabilities	(318.81)		(793.17)	
Interest paid	(1,090.78)		-	
		(15,025.48)		(24,116.02)
Net cash flow from / (used in) financing activities (C)		(15,025.48)		(24,116.02)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		5,438.81		(15,930.02)
Cash and cash equivalents at the beginning of the year		3,139.15		19,106.93
Effects of exchange rate changes on cash and cash equivalents		51.47		(37.76)
Cash and cash equivalents at the end of the year		8,629.43		3,139.15
Reconciliation of Cash and cash equivalents with the Balance Sheet:				
Net Cash and cash equivalents		8,629.43		3,139.15
See accompanying notes forming part of the financial statements		1 to 40		

In terms of our report attached
 For Price Waterhouse & Co Chartered Accountants LLP
 Firm Registration Number: 304026E/E-300009
 Chartered Accountants

 Dhruv Kumar
 Partner
 Membership number: 060466

For and on behalf of the Board of Directors


 RVS Ramakrishna
 Managing Director

 Vanaja Kaloru
 Company Secretary


 Gaurav Maheshwari
 Whole time Director

 Deep Chowdhury
 Chief Financial Officer

Place : Hyderabad
 Date : October 5, 2020

Place : Hyderabad
 Date : October 5, 2020



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For Signode India Limited

 Anur Singh
 Company Secretary

Signode India Limited
Statement of Standalone Changes In Equity for the year ended March 31, 2020

₹ in lakhs

	Equity Share Capital	Other Equity			Total other Equity	Total Equity
		Securities premium reserve	Capital redemption reserve	Retained earnings		
As at March 31, 2018	10,708.60	73,297.27	4,210.00	24,958.57	1,02,465.84	1,13,174.44
Buyback of equity shares	(2,454.99)	(24,545.01)	-	-	(24,545.01)	(27,000.00)
Expenses on buyback of equity shares	-	(1,371.45)	-	-	(1,371.45)	(1,371.45)
Transfer on buyback of equity shares	-	-	2,454.99	(2,454.99)	-	-
Profit for the year	-	-	-	13,822.78	13,822.78	13,822.78
Other comprehensive income	-	-	-	(62.66)	(62.66)	(62.66)
As at March 31, 2019	8,253.61	47,380.81	6,664.99	36,263.70	90,309.50	98,563.11
Buyback of equity shares	(838.32)	(9,811.68)	-	-	(9,811.68)	(10,650.00)
Expenses on buyback of equity shares	-	(801.49)	-	-	(801.49)	(801.49)
Transfer on buyback of equity shares	-	-	838.32	(838.32)	-	-
Profit for the year	-	-	-	13,741.73	13,741.73	13,741.73
Other comprehensive income	-	-	-	(104.71)	(104.71)	(104.71)
As at March 31, 2020	7,415.29	36,767.64	7,503.31	49,062.40	93,333.35	1,00,748.64


Accompanying notes forming part of the standalone financial statements

For Signode India Limited



Company Secretary

In terms of our report attached,
For Price Waterhouse & Co Chartered Accountants LLP
 Firm Registration Number: 304026E/E-300009
 Chartered Accountants

For and on behalf of the Board of Directors


RVS Ramakrishna
 Managing Director

Vanaja Kaleru
 Company Secretary


Gaurav Maheshwari
 Whole time Director

Deep Chowdhury
 Chief Financial Officer



Place : Hyderabad
 Date : October 5, 2020

Place : Hyderabad
 Date : October 5, 2020

1. General information

Signode India Limited (the Company) is a limited company incorporated in India on August 13, 2003 under the provisions of the Companies Act, 2013 applicable in India. Its holding company is Strapex Holdings Limited, United Kingdom and the Ultimate Holding Company is Crown Holdings Inc, USA. The Company is engaged in the business of industrial packaging and manufacture of strap, stretch, protective packaging, packaging tools and equipment that are used to apply the bulk packaging materials. The Company caters to both domestic and international markets. The addresses of its registered and principal place of business is 3rd Floor, Jyothi Majestic B-2-120/84 Road No-2, Banjara Hills, Hyderabad. The Company is the leading Industrial Packaging solutions provider having manufacturing locations at Rudraram, Silvassa, Rudrapur, Bangalore and Dahej.

2. Significant accounting policies

2.1 Basis of preparation of financial statements and Statement of compliance

The Standalone financial statements are prepared on an accrual basis under historical cost convention except for certain financial instruments, net defined benefit asset/liability which are measured at fair value. The Standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

New and amended standards adopted by the Company

The company has applied the following standards and amendments for the first time for their annual reporting period commencing 1 April 2019:

- i. Ind AS 116, Leases
- ii. Long-term Interest in Associates and Joint Ventures — Amendment to Ind AS 28, Investments in Associates and Joint ventures
- iii. Uncertain Income Tax Treatment — Appendix C to Ind AS 12, Income Taxes
- iv. Plan Amendment, Curtailment or Settlement — Amendment to Ind AS 19, Employee Benefits
- v. Amendment to Ind AS 103, Business Combinations and Ind AS 111, Joint Arrangements
- vi. Amendment to Ind AS 12, Income Taxes
- vii. Amendment to Ind AS 23, Borrowing costs

The Company had to change its accounting policies as a result of adoption of Ind AS 116. This is disclosed in note 30. The other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2.2 Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected.

2.3 Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost of inventories are determined on weighted average basis. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance. Work-in-progress and finished goods include appropriate proportion of overheads as applicable.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

2.4 Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

2.5 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax for the year, is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.6 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Cost of acquisition or construction is inclusive of freight, duties, taxes, other directly attributable incidental expenses to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. Based on the technical assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The estimated useful lives of assets are as follows:



i) Estimated useful lives:

Asset	Useful Life
Building	30 Years
Plant and Equipment	10-15 Years
Office Equipment	3-6 Years
Vehicles	8-10 Years
Furniture and Fixtures	10 Years

ii) Estimated Residual Value 0-5% of Original cost

Depreciation is calculated on a pro-rata basis from the date of additions, except in cases of assets costing up to Rs. 5000 each, where each asset is fully depreciated in the year of purchase. On assets sold, discarded etc. during the year, depreciation is provided up to the date of sale/discard. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under Other Income/other expenses.

Capital work-in-progress

Projects under which property, plant and equipment are not yet ready for their intended use are carried at cost, comprising direct cost and related incidental expenses.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

2.7 Intangible Assets

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Goodwill recognized in a business combination is carried at their fair value at the time of acquisition less accumulated impairment losses.

Useful life of intangible assets

Asset	Useful Life
Non-Competition Fees	5 Years
Order Book	1 Year

2.8 Revenue recognition

(i) The Company earns revenue from:

- Sale of goods
- Sale of packing equipment
- Provision of services

Revenue is recognised when (or as) the Company satisfies a performance obligation by transferring promised goods or services (i.e. an asset) to a customer.

(ii) Satisfaction of performance obligations over time:

Revenue from sale of contract packaging are recognised over a period of time.

Revenue is recognised over time where the transfer of control of goods or services takes place over time by measuring the progress towards complete satisfaction of that performance obligation, if one of the following criteria are met:

- The customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs
- The entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The entity's performance does not create an asset with an alternative use to the entity, and the entity has an enforceable right to payment for performance completed to date.

(ii) Satisfaction of performance obligations at a point in time:

Revenue from sale of goods and services is recognised at a point in time upon transfer of control of an asset to the customer.

In respect of cases where the transfer of control does not take place over a period of time, the company recognises at a point in time when it satisfies performance obligations.

The performance obligation is satisfied when the customer obtains control of the asset. The indicators for transfer of control include the following:

- Company has transferred the physical possession of the asset
- The customer has the legal right to the asset
- The Company has a present right to payment for the asset
- The Customer has the significant risks and rewards of ownership of the asset.

(iv) Measurement

Revenue is recognised at the amount of transaction price that is allocated to the performance obligation. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amount collected on behalf of third parties.

Other income:

Income in respect of interest on fixed deposit with banks is recognized on accrual basis at the rate at which such entitlement accrues. Royalty income is accounted on accrual basis.

2.9 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

(i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.



(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI). Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss. Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

(iii) Investments in associates

Investments in associates are carried at cost/deemed cost applied on transition to Ind AS, less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- a) the rights to receive cash flows from the financial asset is transferred or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(b) Financial liabilities

(i) Initial recognition and measurement

At initial recognition, Financial liabilities are classified as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss as finance costs.

(c) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.10 Borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in statement of profit and loss as other gains/(losses).



Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of financial statements for issue, not to demand payment as consequence of the breach.

2.11 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

Other borrowings costs are expensed in the period in which they are incurred.

2.12 Leases

Till March 31, 2019:

As a lessee

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Assets given under finance leases are recognised as receivables at an amount equal to the net investment in the lease and the finance income is based on a constant rate of return on the outstanding net investment.

Effective from April 1, 2019:

As a lessee:

From 1 April 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the company under residual value guarantees
- the exercise price of a purchase option if the company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

As a lessor:

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the basis of lease income. The respective leased assets are included in the balance sheet based on their nature. The company did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.



2.13 Impairment

(i) Financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 60 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(ii) Non-financial assets

Property, plant and equipment and intangible assets are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit or loss. The Company review/assess at each reporting date if there is any indication that an asset may be impaired.

A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

2.14 Foreign currency transactions

The functional and presentation currency of the Company is Indian rupee. Transactions in foreign currencies are recorded on initial recognition at the exchange rate prevailing on the date of the transaction.

Monetary items (i.e. receivables, payable, loans etc.) denominated in foreign currency are reported using the closing exchange rate on each reporting date.

The exchange difference arising on the settlement of monetary items or on reporting these items at rates different from rates at which these were initially recorded/reported in previous financial statements are recognized as income/ expense in the period in which they arise.

2.15 Employee benefits

(a) Long term employee Benefits

(i) Defined contribution plans

The Company's contribution to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

(ii) Defined benefit plans

The liability recognized in respect of gratuity is the present value of defined benefit obligation at the end of the reporting period less the fair value of plan assets, where applicable. The Company makes contribution to the LIC for Employees Gratuity Scheme in respect of employees of one of the division. The defined benefit obligation is calculated annually by actuary using the Projected Unit Credit Method. Remeasurement comprising actuarial gains and losses and return on plan assets (excluding net interest) are recognized in the other comprehensive income for the period in which they occur and is not reclassified to profit or loss.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation determined using the Projected Unit Cost Method as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

(b) Short term employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.



2.16 Taxes on income

The income-tax liability is provided in accordance with the provisions of the Income-tax Act, 1961. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Income tax and deferred tax are measured on the basis of the tax rates and tax laws enacted or substantively enacted at the end of the reporting period and are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the income tax and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Deferred tax assets and liabilities and advance against current tax are classified as non-current assets and liabilities. Current tax assets and liabilities and Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax over and above MAT. Accordingly, MAT is recognised as an asset in the Balance Sheet, when it is probable that future economic benefit associated with it will flow to the Company.

2.17 Provisions and contingent liabilities

Provisions for legal claims, volume discounts and returns are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

Provision for product warranties is recorded when products are sold. Product warranty costs are accrued based on past experience, adjusted for current trends.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.18 Government Grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Grants are presented in Profit and loss by deducting the related expense.

2.19 Earnings per share:

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

2.20 Operating Cycle:

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash

2.21 Rounding off amounts:

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs as per requirement of Schedule III of the Act, unless otherwise stated.

2.22 Estimates and assumptions:

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The area involving critical estimates or judgements is:

1. Estimated goodwill impairment
2. Estimation of defined benefit obligation
3. Estimation of provision for warranty claims
4. Impairment of trade receivables

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

(a) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognize deferred tax assets on the tax losses carried forward except for the unabsorbed depreciation. Refer Note 27.

(b) Defined benefit plans (gratuity benefits and leave encashment)



The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer Note 32



Signode India Limited
Notes forming part of the standalone financial statements

Note 3A: Property, plant and equipment, intangibles and capital work-in-progress #

(₹ in lakhs)

Description	Gross Block		Accumulated Depreciation/Amortisation				Net Block	
	As at April 01, 2019	Additions	Deductions	As at March 31, 2020	For the Year On Deductions	As at March 31, 2020	As at March 31, 2020	
Tangibles-Property, plant and equipment								
Land - Freehold	3,325.80	-	-	3,325.80	-	-	3,325.80	
Land - Leasehold*	280.00	-	-	280.00	-	-	280.00	
Buildings	6,008.70	881.30	-	6,890.00	315.63	-	5,574.37	
Plant and machinery	15,547.00	463.85	5.69	16,005.17	1,436.37	2.54	14,566.26	
Office equipment	1,070.71	174.89	42.31	1,203.28	185.85	40.44	1,017.43	
Furniture and fixtures	589.51	87.94	0.04	777.41	84.01	0.02	693.40	
Vehicles - Owned	132.87	26.66	1.48	158.06	25.07	1.48	132.51	
Vehicles - Leased*	-	-	-	-	-	-	-	
Sub total (A)	27,054.59	1,634.64	49.52	28,639.72	2,046.92	44.48	19,533.36	
Other intangible assets								
Non complete fees	549.21	-	-	649.21	129.84	-	400.34	
Order book	3.24	-	-	3.24	-	-	3.24	
Sub total (B)	552.45	-	-	652.45	129.84	-	403.58	
Total (A+B)	27,707.04	1,634.64	49.52	29,292.17	2,176.77	44.48	19,532.24	
Capital Work in progress								
Sub total (C)	-	-	-	-	-	-	250.91	
Total (A+B+C)	-	-	-	-	-	-	19,533.05	

All the assets are owned assets except as mentioned otherwise.

* Refer note 3D for reclassification to ROU asset on adoption of Ind AS 116

Note 3B : Goodwill

	As at March 31, 2020	As at March 31, 2019
Balance at the beginning and end of the year	48,869.88	48,869.88

Note 3C : Depreciation expense

	For the year ended March 31, 2020	For the year ended March 31, 2020
Tangibles-Property, plant and equipment (note 3A)	2,046.92	2,253.84
Other intangible assets (note 3A)	129.84	129.84
ROU Asset (note 3D (iii))	496.75	-
Total	2,673.52	2,383.68



Signode India Limited
Notes forming part of the standalone financial statements

Note 3D: Leases

(i) Amounts recognised in balance sheet

	As at March 31, 2020 ₹ in lakhs	As at April 01, 2019* ₹ in lakhs
Right of use assets		
Land and buildings	1,787.51	1,937.94
Vehicles	395.84	365.07
Total	2,183.35	2,303.01

	As at March 31, 2020 ₹ in lakhs	As at April 01, 2019* ₹ in lakhs
Lease Liabilities		
Current	400.08	330.82
Non Current	349.83	535.09
Total	749.91	865.91

* In the previous year, the company only recognised lease assets and lease liabilities in relation to leases that were classified as finance leases under IND AS 17, Leases. The assets were presented in property, plant and equipment and the liabilities as part of borrowings and other financial liabilities. No material adjustments were noted on adoption of Ind AS 116 on April 01, 2019.

- 1) Additions to the ROU assets during the current financial year were Rs. 411.97 lakhs
- 2) Total Cash outflow for leases for the year ended March 31, 2020 was Rs. 535.50 Lakhs
- 3) The lease rentals are fixed as per the terms of agreement and there are no variable lease payments

(ii) Amounts recognised in Statement of Profit and Loss

	For the year ended March 31, 2020 ₹ in lakhs	For the year ended March 31, 2019 ₹ in lakhs
Depreciation Charge of right-of-use assets		
Land and buildings	352.63	-
Vehicles	144.12	-
	496.75	-
Interest Expenses	91.99	-
Total	588.74	-



Signode India Limited
Notes forming part of the standalone financial statements

Note 4: Investment

	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
Investment in equity shares (At cost) Unquoted (fully paid up)		
Investment in associates		
Stopak India Private Limited 170,512 (As at March 31, 2019: 170,512) shares of ₹1 each fully paid up.	3,105.10	3,105.10
Other investments		
Patancheru Enviro-Tech Limited 16,470 (As at March 31, 2019: 16,470) shares of ₹10 each fully paid up.	1.65	1.65
Aggregate carrying value of unquoted investments	3,106.75	3,106.75



Signode India Limited
Notes forming part of the standalone financial statements

Note 5: Other financial assets

Non-Current

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
Unsecured, considered good		
(a) Security deposits	231.76	325.69
(b) Earnest money deposits	19.73	-
(c) Interest accrued on deposits	9.62	-
(d) Retention money with customers	330.83	48.86
(e) Finance lease receivables	295.44	273.51
(f) Balances held as margin money for guarantees issued by banks (Refer note (i) below)	587.51	684.10
Total	1,474.88	1,332.16

Notes:

(i) The balances held as margin money for guarantees issued by bank includes margin money of ₹ 375 lakhs (March 31, 2019 375 lakhs) against cash credit limit from bank and ₹ 359.56 lakhs (March 31, 2019 309.10 lakhs) subject to first charge to secure the Company's Letter of Credit and for guarantees issued by bank to customers.

Current

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
Unsecured, considered good		
(a) Security deposits	172.64	88.09
(b) Earnest money deposits	12.20	10.98
(c) Retention money with customers	165.08	657.14
(d) Finance lease receivables	165.07	122.62
(e) Interest accrued on deposits	83.42	24.13
(f) Balances held as margin money for guarantees issued by banks (Refer note (i) above)	147.05	-
Total	745.46	902.96



Signode India Limited
Notes forming part of the standalone financial statements

Note 6: Other assets

Non Current

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
(a) Capital advances	74.34	110.25
(b) Prepaid expenses	61.50	36.43
(c) Leasehold land prepayment #	-	1,345.35
(d) Balances with Government authorities*	3,188.77	1,942.90
Total	3,324.61	3,434.93

* Includes amounts paid under protest ₹ 159.61 lakhs (March 31, 2019: ₹ 143.84 lakhs) towards sales tax disputes and ₹ 2,929.57 lakhs (March 31, 2019: 1,693.70 lakhs) towards deposits for income tax related case and ₹ 44.69 lakhs towards deposits with Customs authorities.

Current

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
(a) Leasehold land prepayment #	-	15.35
(b) Advances to employees	123.62	117.08
(c) Prepaid expenses	173.70	196.64
(d) Balances with Government authorities	988.30	1,073.12
(e) Export benefits receivable	484.50	366.09
(f) Advance to suppliers		
Unsecured, considered good	360.78	447.49
Doubtful	10.69	11.94
Less: Provision for doubtful loans and advances	(10.69)	(11.94)
Total	2,130.90	2,215.77

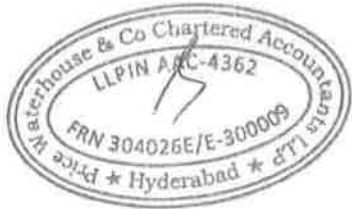
Refer note 3D for reclassification to Rou asset on adoption of Ind AS 116



Signode India Limited
Notes forming part of the standalone financial statements

Note 7: Inventories

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
(a) Raw materials	4,217.27	5,036.34
(b) Work-in-progress	3,182.59	2,301.31
(c) Finished goods	2,773.04	3,352.42
(d) Stock-in-trade	4,060.70	3,685.66
(e) Goods-in-transit	381.22	278.03
(f) Stores and spares	130.57	187.27
Total	14,745.39	14,841.03



Signode India Limited
Notes forming part of the standalone financial statements

Note 8: Trade receivables

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
Trade receivables	26,664.08	27,164.61
Receivables from related parties	4,475.87	2,566.41
	31,139.95	29,731.02
Less: Loss allowance	523.76	1,422.01
Total	30,616.19	28,309.01
Break up of security details		
Trade receivables considered good - unsecured	30,616.19	28,309.01
Trade receivables - credit impaired	523.76	1,422.01
Total	31,139.95	29,731.02
Loss allowance	523.76	1,422.01
Total	30,616.19	28,309.01

Notes:

1) The Company estimates the allowance for uncollectible accounts by applying % reserve based on aging of the debts due and specifically taken for debts where conditions are present for uncollectibility. In addition, the allowance for uncollectible accounts includes reserves for customer credits and cash discounts, which are also estimated based on past experience.

Reconciliation of loss allowance provision

	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
Balance at the beginning of the year	1,422.01	809.83
Add: Provision for expected credit loss recognised during the year	-	612.18
Less: Provision reversed during the year	(132.64)	-
Less: Bad debt expense charged off during the year	(765.61)	-
Balance at the end of the year	523.76	1,422.01



Signode India Limited
Notes forming part of the standalone financial statements

Note 9: Cash and cash equivalents

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
Balances with banks		
- In current accounts	-	2,262.09
- In EEFC accounts	794.43	877.06
- Deposits with maturity of less than three months	7,835.00	-
Total	8,629.43	3,139.15

Note 10: Contract assets

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
Unsecured, considered good Contract assets	7,500.94	5,426.14
Total	7,500.94	5,426.14



Note 11: Equity Share Capital

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
(a) Authorised share capital Equity shares of ₹10 each	15,00,00,000	15,000.00	15,00,00,000	15,000.00
(b) Issued Equity shares of ₹ 10 each	7,41,52,940	7,415.29	8,25,36,138	8,253.61
(c) Subscribed and fully paid up* Equity shares of ₹ 10 each	7,41,52,940	7,415.29	8,25,36,126	8,253.61
Total		7,415.29		8,253.61

* Refer notes (i) to (iv) below

i. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

a) Issued, subscribed and paid up share capital	As at March 31, 2020		As at March 31, 2019	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
Equity shares of ₹ 10 each				
At the beginning of the year	8,25,36,126	8,253.61	10,70,86,046	10,706.60
Less: Brought back during the year	83,83,186	838.32	2,45,49,920	2,454.99
At the end of the year	7,41,52,940	7,415.29	8,25,36,126	8,253.61

b) Aggregate number and class of shares bought back for the period of last 5 years immediately preceding the date of which balance sheet.

Class of shares	(In numbers)				
	FY 19-20	FY 18-19	FY 17-18	FY 16-17	FY 15-16
Equity shares bought back of ₹ 10 each	83,83,186	2,45,49,920	-	-	2,44,00,000

ii. Detail of shares held by Holding Company and shareholders holding more than 5% equity shares with voting rights are as under :

Equity shares of ₹ 10 each with voting rights	As at		As at	
	No of shares	Percentage	No of shares	Percentage
Strapex Holdings Limited., UK	7,41,52,934	99.99%	8,25,36,120	99.99%

iii. Rights, preferences and restrictions attached to shares:

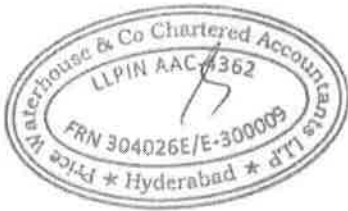
Equity Shares: The Company has only one class of equity shares having par value of ₹ 10 per share. Each shareholder is entitled to one vote per share held. In respect of equity shares, voting right shall be in same proportion as the capital paid upon such equity share. In the event of dividend proposed by the Board of Directors, which is subject to the approval of the shareholders in the Annual General Meeting, it shall be in the same proportion as the capital paid upon such equity share. In the event of liquidation, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The shares bought back in the earlier years were cancelled immediately.

iv. No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.



Note 12: Other Equity

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
Other equity		
Securities premium	36,767.64	47,380.81
Capital redemption reserve	7,503.31	6,664.99
Retained earnings	49,062.39	36,263.69
Total	93,333.34	90,309.49
(a) Securities premium account		
Opening balance	47,380.81	73,297.27
Less: Utilised during the year on account of buyback of equity shares	(9,811.68)	(24,545.01)
Less: Expenses on buyback of equity shares	(801.49)	(1,371.45)
Closing balance	36,767.64	47,380.81
(b) Capital Redemption Reserve		
Opening balance	6,664.99	4,210.00
Add: On account of buyback of shares	838.32	2,454.99
Closing balance	7,503.31	6,664.99
(c) Retained earnings		
Opening balance	36,263.69	24,458.84
Add: Change in accounting policy - Ind AS 115	-	489.72
Add: Profit for the year	13,837.02	13,760.12
Less: Transferred to Capital Redemption Reserve on account of buyback of shares	(838.32)	(2,454.99)
Closing balance	49,062.39	36,263.69
Total	93,333.34	90,309.49



Note 13: Borrowings

a) Non-Current

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
Secured – at amortised cost		
Long-term maturities of finance lease obligations #	-	189.10
Total	-	189.10

b) Current

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
Unsecured		
Export packing credit loans	2,500.00	5,000.00
Bank Overdraft	335.60	-
Total	2,835.60	5,000.00

(i) Terms of borrowings:

Particulars	Terms of repayment	Interest rate	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
Sundaram Finance Limited/ Kotak Mahindra #	Monthly instalments over a period of 4 years.	12% - 15%	-	288.67
HDFC Bank Limited	Single repayment at the end of 6 months	5.15% to 5.55 P.A, payable on monthly basis	2,500.00	5,000.00

Refer note-17 for current maturities of finance lease obligation. Also refer note 3D for reclassification to lease liability on adoption of Ind AS 116.

(ii) Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

	March 31, 2020 ₹ in lakhs	March 31, 2019 ₹ in lakhs
Cash and cash equivalents	8,629.43	3,139.15
Current borrowings including interest accrued	(2,846.53)	(5,018.63)
Non-current borrowings	-	(288.67)
Net debt	5,782.90	(2,168.15)

	Cash and cash equivalents	Current borrowings including interest accrued	Non-current borrowings	Total
Net debt as at March 31, 2018	19,106.93	-	(238.33)	18,868.60
Cash flows	(15,967.77)	(5,000.00)	(48.60)	(21,016.37)
Interest expense	-	(18.63)	(55.96)	(74.59)
Interest paid	-	-	54.22	54.22
Net debt as at March 31, 2019	3,139.16	(5,018.63)	(288.67)	(2,168.14)
Cash flows	5,490.28	2,164.40	-	7,654.68
Interest expense	-	(10.93)	-	(10.93)
Interest paid	-	18.63	-	18.63
Reclassified to Lease Liabilities	-	-	288.67	288.67
Net debt as at March 31, 2020	8,629.45	(2,846.53)	-	5,782.92



Signode India Limited
Notes forming part of the standalone financial statements

Note 14: Provisions

Non-Current

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
(a) Provision for employee benefits:		
(i) Gratuity (Refer note 32)	101.26	-
(ii) Compensated absences (Refer note 32)	97.01	0.38
(b) Provision for warranty*	135.51	98.74
(c) Others	-	44.60
Total	333.78	143.72

Current

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
(a) Provision for employee benefits:		
(i) Compensated absences (Refer note 32)	13.49	7.29
(b) Provision for warranty*	125.41	92.59
(c) Others	44.60	-
Total	183.50	99.88

Notes:

*Provision for warranty claims represents the best estimate of the future outflow of economic benefits that will be required under Companies obligation for warranties under sale of power strapping machines and standard equipments. As per Company policy, the estimate of future warranty costs is based on past experience, usually based on an analysis of past warranty costs from the date of original product sale.

Movement in provisions:

	March 31, 2020	March 31, 2019
a. Provision for warranty		
Opening balance	191.33	141.78
Additional provisions recognised	137.70	87.48
Amounts used during the year	(68.11)	(37.93)
Closing balance	260.92	191.33
Classified as:		
Short term	125.41	92.59
Long term	135.51	98.74
b. Provision for Others		
Opening balance	44.60	45.48
Amounts used during the year	-	(0.88)
Closing balance	44.60	44.60
Classified as:		
Short term	44.60	-
Long term	-	44.60



Signode India Limited
Notes forming part of the standalone financial statements

Note 15: Deferred Tax Liability (Net)

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
Deferred tax Asset/(Liability)		
<u>Deferred tax liability</u>		
On depreciation	(13,739.05)	(12,257.69)
	<u>(13,739.05)</u>	<u>(12,257.69)</u>
<u>Deferred tax assets</u>		
Provision for doubtful debts and advances	186.76	501.08
Others	127.95	69.53
	<u>314.71</u>	<u>570.61</u>
MAT Credit entitlement	4,068.99	5,754.51
Deferred tax liability (net)	(9,355.35)	(5,932.57)



Note 16: Trade payables

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
Trade payables - micro and small enterprises	2,148.48	648.49
Trade payables - others	24,003.63	18,792.31
Trade payables to related parties	1,353.61	788.34
Total	27,505.72	20,229.15

Note:

Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act")

	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	1,056.65	455.89
b) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	31.65	31.65
c) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
d) Interest paid other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
e) Interest paid under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
f) Interest due and payable towards suppliers registered under the MSMED Act, for payments already made *	16.88	23.66
g) Further interest remaining due and payable for earlier years *	14.77	7.99

* These amounts have been already included in point (b) above.



Note 17: Other financial liabilities

Current

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
(a) Current maturities of finance lease obligations*	-	99.57
(b) Capital creditors	73.03	201.87
(c) Employee benefits payables	824.29	916.22
(d) Interest accrued on borrowings	10.93	18.63
(e) Others	1.31	4.46
Total	909.56	1,240.75

*Refer note 3D for reclassification to lease liability on adoption of Ind AS 116.

Note 18: Contract liabilities

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
Contract liabilities - Income received in advance	86.82	74.43
Contract liabilities - Advances from customers	952.55	637.89
Total	1,039.37	712.32

Revenue recognised in relation to contract liabilities

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
Revenue recognised that was included in the contract liability balance at the beginning of the period		
Revenue from operations	712.32	546.89
Total	712.32	546.89



Signode India Limited
Notes forming part of the standalone financial statements

Note 19: Current tax asset/liabilities (net)

Particulars	As at	As at
	March 31, 2020 ₹ in lakhs	March 31, 2019 ₹ in lakhs
Opening balance	(368.57)	1,275.25
Add: Current tax payable for the year	5,649.76	5,588.36
Add: Tax expense utilised against MAT credit	(1,639.06)	(287.18)
Less: Taxes paid	(4,696.93)	(6,945.00)
Closing balance	(1,054.80)	(368.57)



Note 20: Other liabilities

Current

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
(a) Statutory dues payable	561.72	1,009.09
(b) Others	2.50	2.50
Total	564.22	1,011.59



Note 21: Revenue from operations*

Particulars	For the year ended March 31, 2020 ₹ in lakhs	For the year ended March 31, 2019 ₹ in lakhs
Revenue from contract with customers:		
(a) Sale of products*	1,15,020.83	1,18,246.78
(b) Sale of services	16,735.96	15,294.39
(c) Other operating revenue (refer note A below)	1,222.57	1,290.36
Total	1,32,979.36	1,34,831.53

* Includes sale of traded products ₹ 39,093.09 lakhs (March 31, 2019: ₹ 40,179.34 lakhs)

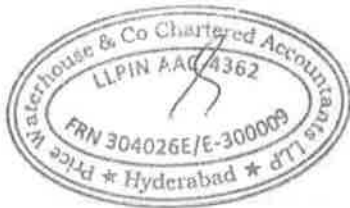
Note A:

Particulars	For the year ended March 31, 2020 ₹ in lakhs	For the year ended March 31, 2019 ₹ in lakhs
1 Scrap sales	399.61	588.92
2 Duty drawback and other export incentives	711.65	588.95
3 Royalty income	111.30	112.49
Total	1,222.56	1,290.36



Note 22: Other income

Particulars	For the year ended March 31, 2020 ₹ in lakhs	For the year ended March 31, 2019 ₹ in lakhs
(a) Interest income		
Interest income earned on financial assets that are not designated as FVTPL		
(i) Bank deposits	301.89	629.05
(ii) Finance lease assets	38.87	7.49
(iii) Security deposits and retention money	28.59	22.58
	369.35	659.12
(b) Other non-operating income		
(i) Foreign exchange differences (net)	611.65	380.66
(ii) Liabilities no longer required written back	3.74	1.74
(iii) Provision for doubtful debts written back	132.64	-
(iv) Cash discount received	12.78	1.46
(v) Miscellaneous income	30.71	38.55
(vi) Dividend income	290.71	-
(vii) Profit on sale of property, plant and equipment (net)	11.22	-
	1,093.45	422.41
Total	1,462.80	1,081.53



Signode India Limited

Notes forming part of the standalone financial statements

Note 23.a Cost of materials consumed

Particulars	For the year ended March 31, 2020 ₹ in lakhs	For the year ended March 31, 2019 ₹ in lakhs
Raw materials at the beginning of the year	5,036.34	1,825.21
Add: Purchases	50,184.91	52,514.31
Less: Raw materials at the end of the year	4,217.27	5,036.34
Cost of material consumed	51,003.98	49,303.18

Note 23.b Purchase of traded goods

Particulars	For the year ended March 31, 2020 ₹ in lakhs	For the year ended March 31, 2019 ₹ in lakhs
Films	3,635.64	3,457.52
Others	24,545.81	27,271.88
Total	28,181.45	30,729.40

Note 23.c Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended March 31, 2020 ₹ in lakhs	For the year ended March 31, 2019 ₹ in lakhs
<u>Inventories at the end of the year:</u>		
Finished goods	2,773.04	3,352.42
Work-in-progress	3,182.59	2,301.31
Stock-in-trade (including goods in transit)	4,441.92	3,963.69
	10,397.55	9,617.42
<u>Inventories at the beginning of the year:</u>		
Finished goods	3,352.42	3,391.46
Work-in-progress	2,301.31	3,855.96
Stock-in-trade (including goods in transit)	3,963.69	3,039.49
	9,617.42	10,286.91
Net (increase) / decrease	(780.13)	669.49



Signode India Limited
Notes forming part of the standalone financial statements

Note 24: Employee benefits expense

Particulars	For the year ended March 31, 2020 ₹ in lakhs	For the year ended March 31, 2019 ₹ in lakhs
Salaries, wages and bonus	20,201.67	18,785.54
Contribution to provident and other funds	644.45	586.59
Gratuity (refer note 32)	154.89	151.03
Staff welfare expenses	623.27	652.80
Total	21,624.28	20,175.96



Signode India Limited
Notes forming part of the standalone financial statements

Note 25: Finance costs

Particulars	For the year ended March 31, 2020 ₹ in lakhs	For the year ended March 31, 2019 ₹ in lakhs
Interest expense on:		
(i) Leased liabilities	91.99	55.96
(ii) Borrowings including bills discounted	805.32	661.10
(iii) Interest on income tax	150.11	92.23
(iv) Others	35.66	2.51
Total	1,083.08	811.80



Note 26: Other expenses

Particulars	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
	₹ in lakhs	₹ in lakhs
Consumption of stores, spares and loose tools	371.44	392.83
Power, fuel and water charges	2,278.89	2,216.28
Rent (Refer note 30)	-	348.84
Repairs and maintenance - buildings	61.46	85.44
Repairs and maintenance - machinery	286.86	268.55
Repairs and maintenance - others	259.21	372.94
Insurance	279.66	286.87
Rates and taxes	48.89	42.41
Advertisement and publicity	83.58	140.90
Freight and forwarding (net)	2,443.87	2,382.46
Travelling and conveyance	1,889.63	1,719.64
Donations and contributions	0.95	0.20
Expenditure on Corporate Social Responsibility (Refer note 36)	58.72	37.29
Legal and professional	195.90	260.32
Payment to auditors (refer note below)	17.49	15.00
Loss on sale of property, plant and equipment (net)	-	58.36
Provision for loss allowance on trade receivables	-	612.18
Printing and stationery	54.47	53.19
Warranty expenses	137.70	87.48
Communication	345.11	327.28
Amortisation of lease hold land	-	3.65
Sales commission	125.49	183.08
Bad debts and advances written off	-	56.92
Bank charges	91.60	100.59
Miscellaneous expenses	400.65	424.06
Total	9,431.57	10,476.76

Note: Details of payments to auditors

As auditor:		
- Statutory audit	13.00	13.00
- Tax audit	2.00	2.00
- certification	1.00	-
- Reimbursement of expenses	1.49	-
	17.49	15.00



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27. Income tax expense

(a) Income tax expense

	For the year ended March 31, 2020 ₹ in lakhs	For the year ended March 31, 2019 ₹ in lakhs
Current tax	5,649.76	5,588.36
Deferred tax	1,767.45	1,950.36
Tax related to current year (A)	7,417.21	7,538.72
Taxes related to prior year (B)	65.47	1.29
Total tax expense (A+B)	7,482.68	7,540.01

(b) Reconciliation of tax expense and
accounting profit:

Particulars	March 31, 2020 ₹ in lakhs	March 31, 2019 ₹ in lakhs
Profit before Tax	21,224.41	21,362.79
Tax rate	34.94%	34.94%
Income tax expense at income tax rate	7,416.66	7,465.01
(i) Tax effect of items not deductible in calculating income tax:		
Interest on Income tax	52.45	32.23
Corporate social responsibility expense	20.85	3.89
Amortisation of lease hold land	5.34	1.28
Interest on MSME vendors	-	2.79
(ii) Chapter VI-A Deduction	(22.63)	-
(iii) Others- short/(excess)	10.01	34.80
Income tax expense	7,482.68	7,540.01
Effective tax rate	35.26%	35.30%

(c) Deferred tax movements

Deferred tax assets/(liabilities) in relation to :	₹ in lakhs					
	Depreciation	Provision for doubtful debts and advances	Share options outstanding account	MAT Credit Entitlement	Others	Total
As at March 31, 2018	(10,111.21)	287.17	-	6,091.75	126.75	(3,605.54)
(Charged)/credited to						
Profit or loss	(2,146.48)	213.91	-	(337.24)	(90.88)	(2,360.69)
Other comprehensive Income	-	-	-	-	33.66	33.66
As at March 31, 2019	(12,257.69)	501.08	-	5,754.51	69.53	(5,932.57)
(Charged)/credited to :						
Profit or loss	(1,481.36)	(314.32)	-	(1,685.52)	2.17	(3,479.03)
Other comprehensive income	-	-	-	-	56.25	56.25
As at March 31, 2020	(13,739.05)	186.76	-	4,068.99	127.95	(9,355.35)



28. Earning Per Share

Basic earnings/(loss) per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings/(loss) per share amounts are calculated by dividing the profit/loss attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

		For the year ended March 31, 2020	For the year ended March 31, 2019
Profit after tax (₹ in lakhs)	A	13,741.73	13,822.78
Number of shares issued and subscribed (Nos.)	B	7,41,52,940	8,25,36,126
Weighted average number of shares (Nos.)	C	7,93,75,253	9,46,42,048
Basic and Diluted EPS (₹)	A/C	17.31	14.61

29. Contingent Liabilities and Commitments (to the extent not provided for)

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
(a) Contingent liabilities[#]		
(i) In respect of excise matters	57.88	59.13
(ii) In respect of service tax matters	116.94	152.44
(iii) In respect of custom matters	19.44	19.44
(iv) In respect of sales tax/vat matters	2,081.82	1,518.12
(v) In respect of Income tax matters		128.74
(vi) In respect of civil and labour matters	3.75	3.61
	2,279.84	1,881.49
(b) Commitments		
Estimated amount of contracts remaining to be executed in capital account and not provided for (Net of advances paid amounting to ₹ 74.33 lakhs (March 31, 2019 ₹ 110.2 lakhs)).	510.08	261.90

[#] All the above matters are subject to legal proceedings in the ordinary course of business. In the opinion of the management the legal proceedings, when ultimately concluded, will not have material effect on results of operations or financial position of the Company.

(c) The Company has evaluated the impact of the Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-11(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in these financial statements.

30. Leases

As indicated in the note 2.1, the company has adopted Ind AS 116 using modified retrospective approach from April 01, 2019, but has not restated comparatives for year ended March 31, 2019, as permitted under the specific transition provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on 1 April 2019.

On adoption of Ind AS 116, the company recognised lease liabilities in relation to leases which had previously been classified as 'Operating leases' under the principles of Ind AS 17, Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 April 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 April 2019 was 8.17%.

For leases previously classified as finance leases the entity recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The measurement principles of Ind AS 116 are only applied after that date.

(i) Measurement of lease liabilities

Discounted value of operating leases on initial adoption of Ind AS 116	577.24
Add: finance lease liabilities recognised as at March 31, 2019	288.67
Lease liability recognised as at 1 April 2019	<u>865.91</u>
Of which are:	
Current lease liabilities	330.82
Non-current lease liabilities	535.09

(ii) Measurement of right-of-use assets

Right-of-use assets have been recognised at amount equivalent to net present value of lease obligations over the expected term of the lease using the company's incremental borrowing rate.

(iii) Adjustments recognised in the balance sheet on 1 April 2019

The change in accounting policy affected the following items in the balance sheet on 1 April 2019

1. property, plant and equipment - decrease by INR 365.07
2. right-of-use assets - increase by INR 2,303.01
3. deferred tax assets (net) - Nil
4. prepayments - decrease by INR 1,360.7
5. borrowing and other financial liabilities - decrease by INR 288.67
6. lease liabilities - increase by INR 865.91

The net impact on retained earnings on 1 April 2019 was Nil

(iv) Lessor accounting

The company did not need to make adjustments to the accounting for assets held as lessor under operating / finance leases as a result of the adoption of Ind AS 116



Signode India Limited
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31. Related Party Disclosures

a) Name of related parties	Description of relationship
Crown Holdings Inc, USA	Ultimate Holding company
Strapex Holdings Limited, UK	Holding company
Stopak India Private Limited	Associate Company

Names of fellow subsidiaries have been given in (b) below :

Key management personnel

R V S Ramiakrishna	– Managing Director
Gaurav Maheshwari	– Whole-time Director
Lakshmi Narayana Raju Namburi	– Whole-time Director
G Ravindra Babu	– Whole-time Director
Krishna Kumar	– Whole-time Director
Deep Chowdhury	– Chief Financial Officer
Vanaja Kaleru	– Company Secretary

Post employment benefit plan

Signode India Gratuity Trust
Signode India Superannuation Trust

Director

Richard Eben Morgan	– Director
Nils Alfons Michael Stenger	– Director
Patricia Marie Anne Chidiac	– Director

b) Transactions with related parties during the year

(i) Purchase of raw materials, components and finished goods

Name of related party	Relationship	(₹ in lakhs)	
		For the year ended March 31, 2020	For the year ended March 31, 2019
Signode Industrial Group GmbH	Fellow Subsidiary	702.87	724.26
Signode Engineered Products	Fellow Subsidiary	693.73	778.27
Signode Korea Inc	Fellow Subsidiary	582.80	559.84
Signode Kabushiki Kaisha.	Fellow Subsidiary	562.33	544.16
Caretex Asia Company Limited	Fellow Subsidiary	448.30	642.28
OY M.Haloila AB	Fellow Subsidiary	361.21	189.13
SPG Packaging Systems Group GmbH	Fellow Subsidiary	328.97	223.46
Signode Export & Distributor Service	Fellow Subsidiary	284.72	209.52
Muller Load Containment Solutions	Fellow Subsidiary	280.92	408.78
Signode System GmbH	Fellow Subsidiary	104.76	76.86
Signode Packaging (Qingdao) Co Ltd	Fellow Subsidiary	65.15	0.57
Haloila Bulgaria Food	Fellow Subsidiary	64.67	27.49
Storfast Warehouse Automation	Fellow Subsidiary	50.92	169.74
M.P.S. Metal Plastik Sanayi Cember Ve Pak.Sist.Iml, Ve Tic.A.S.	Fellow Subsidiary	29.54	40.41
Josef Kihlberg AB	Fellow Subsidiary	17.84	0.34
Signode System Packaging GmbH & Co KG	Fellow Subsidiary	9.93	-
Loveshaw Corporation	Fellow Subsidiary	0.84	21.03
Midwest Industrial Packaging Inc	Fellow Subsidiary	0.61	-
Signode Midwest Steel	Fellow Subsidiary	0.45	0.03
Mezger Heftsysteime GmbH	Fellow Subsidiary	0.22	-
Mima Films Sprl		0.00	0.37
Stopak India Private Limited	Associate Company	246.59	164.25
Total		4,837.37	4,780.79



Signode India Limited
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(ii) Revenue from operations

Name of related party	Relationship	(₹ in lakhs)	
		For the year ended March 31, 2020	For the year ended March 31, 2019
Signode Engineered Products-Glenview	Fellow Subsidiary	2,113.17	1,775.12
Signode Kabushiki Kaisha-Japan	Fellow Subsidiary	2,051.68	23.16
Signode Engineered Packaging Solutions	Fellow Subsidiary	1,848.30	2,804.01
Signode Netherlands (Earlier Dacro)	Fellow Subsidiary	1,274.91	991.32
Signode Industrial Group Mexico S DE RL DE CV	Fellow Subsidiary	1,212.33	656.31
Signode System GMBH	Fellow Subsidiary	705.00	182.05
Signode System Packaging GMBH & Co. KG	Fellow Subsidiary	615.75	1,151.52
Signode Korea Inc -Korea	Fellow Subsidiary	271.78	26.15
Signode Singapore Pte Ltd-Singapore	Fellow Subsidiary	214.56	176.60
Signode Metals Europe- Germany	Fellow Subsidiary	214.26	41.80
Signode Packaging System Limited Kenya	Fellow Subsidiary	205.82	314.40
Orgapack/ Signode Industrial Group- Packaging Systems Europe) - Dietikon	Fellow Subsidiary	205.28	156.84
Signode Packaging (Qingdao) Co., Ltd-Qingdao	Fellow Subsidiary	203.58	132.50
Signode Australia	Fellow Subsidiary	89.62	270.33
Signode Service Business - Glenview	Fellow Subsidiary	66.95	52.10
Signode International Holdings LLC - Taichung	Fellow Subsidiary	50.06	4.60
Signode Industrial Group LLC - Glenview	Fellow Subsidiary	25.59	4.13
Signode Packaging Group (Malaysia Sdn Bhd)	Fellow Subsidiary	9.65	37.46
SPG Packaging Systems GMBH - Hilden	Fellow Subsidiary	6.07	14.91
Signode Thailand Ltd - Thailand	Fellow Subsidiary	5.89	106.93
Signode New Zealand	Fellow Subsidiary	3.77	2.94
Signode Hong Kong Limited	Fellow Subsidiary	0.21	0.36
Stopak India Private Limited	Associate Company	5.00	5.27
Total		11,399.22	8,930.82

(iii) Reimbursement of Expenditure from

Name of related party	Relationship	(₹ in lakhs)	
		For the year ended March 31, 2020	For the year ended March 31, 2019
SPG Packaging UK Ltd - Burntwood	Fellow Subsidiary	30.28	33.38

(iv) Reimbursement of Expenditure to

Name of related party	Relationship	(₹ in lakhs)	
		For the year ended March 31, 2020	For the year ended March 31, 2019
Signode Netherlands (Earlier Dacro B.V)	Fellow Subsidiary	53.83	43.30

(v) Services received

Name of related party	Relationship	(₹ in lakhs)	
		For the year ended March 31, 2020	For the year ended March 31, 2019
Signode System GmbH	Fellow Subsidiary	38.51	-

(vi) Post employment benefit plan for the benefitted employees - Contribution to funds

Name of related party	Relationship	(₹ in lakhs)	
		For the year ended March 31, 2020	For the year ended March 31, 2019
Signode India Gratuity Trust	Trust	208.66	451.67
Signode India Superannuation Trust	Trust	78.69	86.79



Signode India Limited
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(vii) Share Buyback

(₹ in lakhs)

Name of related party	Relationship	For the year ended March 31, 2020	For the year ended March 31, 2019
Strapex Holdings Limited	Holding company	10,650.00	27,000.00

(viii) Payment to Key Management Personnel ;

The remuneration of the directors and other members of key management personnel during the year was as follows:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Short-term benefits	892.63	1,018.72
Share-based payments/Bonus	280.71	290.80
Total*	1,173.34	1,309.52

*Provision for incremental gratuity liability and leave encashment for the current year in respect of directors has not been considered above, since the provision is based on an actuarial basis for the Company as a whole

c) Related party balances outstanding as at year end :

Payables

(₹ in lakhs)

Name of related party	Relationship	As at March 31, 2020	As at March 31, 2019
Signode Industrial Group GmbH	Fellow Subsidiary	247.68	-
Signode Korea Inc	Fellow Subsidiary	203.40	25.10
Signode Engineered Products	Fellow Subsidiary	196.99	202.84
Caretex Asia Company Limited	Fellow Subsidiary	123.68	54.12
Signode Export & Distributor Service	Fellow Subsidiary	89.20	42.69
Signode Kabushiki Kaisha	Fellow Subsidiary	85.59	168.84
Muller Load Containment Solutions	Fellow Subsidiary	59.67	31.34
SPG Packaging Systems Group GmbH	Fellow Subsidiary	58.68	22.58
Signode Packaging (Qingdao) Co Ltd	Fellow Subsidiary	57.85	0.48
Signode System Europe	Fellow Subsidiary	52.08	0.85
Signode Netherlands (Earlier Dacro)	Fellow Subsidiary	26.73	21.53
OY M Haloila AB	Fellow Subsidiary	22.35	42.37
M.P.S. Metal Plastik Sanayi Cember Ve Pak.Sist.İml. Ve Tic.A.S.	Fellow Subsidiary	12.05	-
Haloila Bulgaria Eood	Fellow Subsidiary	10.92	17.62
Storfast Warehouse Automation	Fellow Subsidiary	8.60	-
Signode Industrial Group LLC	Fellow Subsidiary	5.50	-
Signode System Packaging GmbH & Co	Fellow Subsidiary	5.30	105.01
Josef Kihlberg AB	Fellow Subsidiary	1.95	0.33
Loveshaw Corporation	Fellow Subsidiary	1.25	7.86
Signode System GmbH	Fellow Subsidiary	-	0.22
Stopak India Private Limited	Associate Subsidiary	84.12	44.56
Total		1,353.61	788.34



Receivables

Name of related party	Relationship	As at March 31, 2020	As at March 31, 2019
Signode Industrial Group Mexico S DE RL DE CV	Fellow Subsidiary	1,276.38	591.70
Signode System GmbH - Germany	Fellow Subsidiary	786.69	141.49
Signode Engineered Products-Glenview	Fellow Subsidiary	706.04	16.75
Signode System Packaging GMBH & Co KG	Fellow Subsidiary	638.30	833.12
Signode Engineered Packaging Solutions	Fellow Subsidiary	419.29	469.77
Signode Korea Inc	Fellow Subsidiary	205.25	19.78
Signode Netherlands (Earlier Dacro)	Fellow Subsidiary	111.43	157.34
Orgapack(Signode Industrial Group- Packaging Systems Et	Fellow Subsidiary	108.65	53.41
Signode Metals Europe	Fellow Subsidiary	40.47	36.00
Signode Packaging (Qingdao) Co Ltd - China	Fellow Subsidiary	36.82	65.74
Signode Australia	Fellow Subsidiary	30.71	17.98
Signode Packaging System Limited Kenya	Fellow Subsidiary	23.86	108.84
Signode Singapore Pte Ltd-Singapore	Fellow Subsidiary	22.61	4.35
Signode Mexico S de R.L. de C.V.	Fellow Subsidiary	19.89	2.67
Signode Service Business	Fellow Subsidiary	15.30	13.20
Signode Kabushiki Kaisha-Japan	Fellow Subsidiary	14.73	2.63
SPG Packaging UK Ltd - Burntwood	Fellow Subsidiary	7.76	8.92
SPG Packaging Systems GMBH - Hilden	Fellow Subsidiary	6.45	6.90
Signode Systems (Thailand) Ltd - Rayong	Fellow Subsidiary	2.06	0.87
Signode Packaging Group Malaysia	Fellow Subsidiary	1.77	12.42
Signode New Zealand	Fellow Subsidiary	0.71	0.85
Loveshaw - South Canaan	Fellow Subsidiary	-	0.21
Stopak India Private Limited	Associate Company	0.73	1.48
Total		4,475.87	2,566.41

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

Investments

Name of related party	Relationship	For the year ended March 31, 2020	For the year ended March 31, 2019
Stopak India Private Limited	Associate	3,105.10	3,105.10



32. Disclosures as required under, "Employee Benefits"

Defined contribution plans

The Company's contribution to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees

	2019-20	2018-19
Contribution to Provident and other funds.		
Employers' Contribution to Provident Fund	482.50	445.21
Employers' Contribution to Other Funds	161.96	141.38
Total	644.46	586.59

Defined benefit plans

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded.

Consequent to the application of Indian Accounting Standard 19 "Employee Benefits", all employee benefits have been determined in accordance with the Standard

a) Disclosures required for Gratuity in accordance with Indian Accounting Standard 19 "Employee Benefits" are set out in the table below:

(i) Amount to be recognised in Balance sheet

Particulars	₹ in lakhs	
	As at March 31, 2020	As at March 31, 2019
Present Value of Funded Obligations	2,709.59	2,397.85
Fair Value of Plan Assets	(2,608.33)	(2,403.88)
Net Liability	101.26	(5.93)
Amounts in Balance Sheet		
Liability	101.26	-
Assets	-	5.93
Net Liability	101.26	(5.93)

(IIa) Expense to be recognised in the Statement of Profit and Loss

Particulars	₹ in lakhs	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Current Service Cost	158.31	138.76
Interest on net defined benefit liability/ (asset)	(3.42)	12.27
Total expense charge to profit and loss account	154.89	151.03

(IIb) Amount recorded in other comprehensive Income (OCI)

Particulars	₹ in lakhs	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Remeasurements during the period due to		
Changes in financial assumptions	129.11	89.29
Changes in demographic assumptions	-	(0.10)
Experience adjustments	30.40	12.48
Actual return on plan assets less interest on plan assets	1.44	(15.34)
Total amount recognised in OCI	160.96	86.32



(iii) Reconciliation of Benefit Obligation and Plan Assets for the period

₹ in lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	2,367.85	2,093.50
Current Service Cost	188.31	130.46
Interest on defined benefit obligation	163.29	180.75
Remeasurements due to:		
Actuarial loss/ (gain) arising from change in financial assumptions	129.11	(93.28)
Changes in demographic assumptions		(0.10)
Actuarial loss/ (gain) arising on account of experience changes	30.40	12.46
Benefits Paid	(189.44)	(233.74)
Closing Defined Benefit Obligation	2,708.59	2,087.95
Change in Fair Value of Assets		
Opening Fair value of Plan Assets	2,403.88	1,804.77
Contributions by Employer	206.66	451.67
Interest on plan assets	166.68	135.84
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	(1.44)	15.34
Benefits Paid	(169.44)	(193.74)
Closing Fair Value of Plan Assets	2,606.33	2,403.88

(iv) Expected contribution to the fund in the next year

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Gratuity	60.00	60.00

(v) Asset Information

₹ in lakhs)

Category of Assets (% Allocation)	Percentage		Amount	
	2019-20	2018-19	As at March 31, 2020	As at March 31, 2019
Insurer Managed Funds	100%	100%	2,606.33	2,403.88

(vi) Principal Actuarial Assumptions

Particulars	As at March 31, 2020	As at March 31, 2019
Discount Rate (p.a.)	6.60%	7.45%
Expected Rate of Return on Plan Assets (p.a.)	6.60%	7.45%
Salary Escalation Rate (p.a.)	8.50%	8.50%
Retirement Age	58 to 65 years	
Mortality Table	IAM (2012-14) Ult	
Expected average remaining working lives of employees (years)	6.05	5.90
Leaving Service	Rates (p.a.)	
21-30	19.00%	19.00%
31-40	9.00%	9.00%
41-50	3.00%	3.00%
51 & Above	15.00%	15.00%

(vii) Maturity profile of defined benefit obligation

Year	As at March 31, 2020	As at March 31, 2019
Expected benefits for year 1	471.92	413.26
Expected benefits for year 2	395.22	305.90
Expected benefits for year 3	370.07	339.98
Expected benefits for year 4	341.32	318.56
Expected benefits for year 5	316.27	303.76
Expected benefits for year 6	295.07	275.30
Expected benefits for year 7	198.29	258.37
Expected benefits for year 8	175.62	179.25
Expected benefits for year 9	161.83	162.98
Expected benefits for year 10 and above	1,681.53	1,610.17

Note:

a) The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors



(viii) Sensitivity Analysis

Sensitivity of gross defined benefit obligation as mentioned above, in case of change in significant assumptions, would be as under

(₹ in lakhs)

	For the year ended March 31, 2020	For the year ended March 31, 2019
Discount rate		
(i) Discount rate -50 basis point	82.32	7.86
(i) Discount rate +50 basis point	(77.51)	(67.82)
Salary Increase rate		
(i) rate -50 basis point	(76.53)	(59.99)
(i) rate +50 basis point	80.46	61.64

These sensitivities have been calculated to show the movement in gross defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

b) Long term Compensated Absences

It includes earned leave and sick leave. The present value of compensated absences and the related current service cost are measured using the projected unit credit method with actuarial valuation being carried at each balance sheet date.

(i) Amount to be recognised in Balance sheet

(₹ in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Defined Benefit Obligation	1,199.04	1,025.82
Fair Value of Plan Assets	(1,088.54)	(1,017.36)
Net Liability	110.51	7.67
Classified as		
- Long term	97.02	7.67
- Short term	13.49	-
Principal Actuarial Assumptions		
Discount Rate (p.a.)	6.00%	7.45%
Salary Escalation Rate (p.a.)	6.50%	8.50%



33. Financial instruments

Financial assets and liabilities:

The accounting classification of each category of financial instruments, their carrying amounts and fair value amounts are set out below:

		(₹ in lakhs)					
Financial assets	Level	As at March 31, 2020			As at March 31, 2019		
		Fair value through OCI	Amortised cost	Total Fair Value	Fair value through OCI	Amortised cost	Total Fair Value
Investments	3	1.65	-	1.65	1.65	-	1.65
Trade and other receivables	3	-	30,616.19	30,616.19	-	28,309.01	28,309.01
Other financial assets	3	-	2,220.34	2,220.34	-	2,235.12	2,235.12
Cash and cash equivalents	3	-	8,629.43	8,629.43	-	3,139.15	3,139.15

Financial liabilities	Level	As at March 31, 2020			As at March 31, 2019		
		Fair value through OCI	Amortised cost	Total Fair Value	Fair value through OCI	Amortised cost	Total Fair Value
Borrowings	3	-	2,835.60	2,835.60	-	5,189.10	5,189.10
Trade payables	3	-	27,505.72	27,505.72	-	20,229.16	20,229.16
Other financial liabilities	3	-	909.56	909.56	-	1,240.76	1,240.76
Lease liabilities	3	-	749.91	749.91	-	-	-

34. Financial risk management objectives and policies:

The Company's principal financial liabilities comprise retention money payable, trade and other payables, security deposits, book overdraft and short term borrowings. The Company's principal financial assets include Investments, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and Audit Committee. This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized as below:

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial Instruments affected by market risks include deposits, investments and foreign currency receivables and payables. The sensitivity analyses in the following sections relate to the position as at March 31, 2020. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity, pension obligation and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2020.

(i) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company exposure to the risk of changes in foreign exchange rates relates primarily to the Company operating activities (when revenue or expense is denominated in foreign currency). Foreign currency exchange rate exposure is balanced by purchasing of goods from the respective countries. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows establish risk management policies.

Foreign currency exposures recognised by the Company that have not been hedged by a derivative instrument or otherwise are shown below



Signode India Limited
Notes forming part of the standalone financial statements

34. Financial risk management objectives and policies (cont.):

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

a) Foreign currency risk exposure:

Trade receivables in foreign currency:

Currency	As at March 31, 2020		As at March 31, 2019	
	₹ In lakhs	Foreign Currency In lakhs	₹ In lakhs	Foreign Currency In lakhs
USD	4,694.62	62.31	3,235.76	46.76
EURO	1,206.29	14.55	519.59	6.69

Trade payables in foreign currency:

Currency	As at March 31, 2020		As at March 31, 2019	
	₹ In lakhs	Foreign Currency In lakhs	₹ In lakhs	Foreign Currency In lakhs
USD	760.07	10.11	658.00	9.52
EURO	233.08	2.81	129.80	1.67
GBP	0.37	0.00	1.28	0.02
CHF	247.68	3.16	105.01	1.51
JYP	10.23	15.39	5.81	9.01

c) Sensitivity

With respect to the above unhedged exposure the sensitivity is as follows:

Foreign Currency (FC) Sensitivity	Impact on PBT	
	March 31, 2020 ₹ In lakhs	March 31, 2019 ₹ In lakhs
₹/USD-Increase/(decrease) by 5%	186.74	128.89
₹/EURO-Increase/(decrease) by 5%	48.66	19.50
₹/CHF-Increase/(decrease) by 5%	(12.38)	(5.25)
₹/GBP-Increase/(decrease) by 5%	(0.02)	(0.06)
₹/JPY-Increase/(decrease) by 5%	(0.51)	(0.29)
Total Impact	232.49	142.79



(B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables), including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

(C) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of short term bank deposits and cash credit facility. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be below.

The tables below analyse the Company's financial assets into relevant maturity groupings based on their expected maturities for all non derivative financial assets and financial liabilities. The amount disclosed in the table are the contractual undiscounted cash flow. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant :

	(₹ In lakhs)			
Contractual maturities of financial liabilities	Less than 6 months	6 months to 12 months	More than 1 year	Total
March 31, 2020				
Borrowings	2,835.60	-	-	2,835.60
Trade payables	27,505.72	-	-	27,505.72
Other financial liabilities	909.56	-	-	909.56
Lease liabilities	182.10	217.98	349.83	749.91
Total Financial liabilities	31,432.98	217.98	349.83	32,000.79
March 31, 2019				
Borrowings	5,029.16	70.41	189.10	5,288.67
Trade payables	20,229.16	-	-	20,229.16
Other financial liabilities	1,240.75	-	-	1,240.75
Total Financial liabilities	26,499.07	70.41	189.10	26,758.58

(D) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate change at the end of the reporting period are as follows. The Company does not has any variable rate borrowings.

Nature of borrowings	(₹ in lakhs)	
	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
Fixed rate borrowings		
Short term	2,835.60	5,000.00
Total Fixed rate borrowings	2,835.60	5,000.00

35. Capital Management

For the purposes of Company capital management, Capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value.



36. Corporate Social Responsibility (CSR) Expense

Prescribed CSR expenditure as per Section 135 of the Companies Act, 2013

Details of CSR spent during the financial year

Particulars	₹ in lakhs	
	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Total amount to be spent during the year	167.26	215.67
(b) Actual spent during the year ⁽¹⁾	58.72	37.29
(c) Amount unspent (a-b)	108.53	178.38
Amount paid for		
- acquisition/construction of assets		
- other purposes	58.72	37.29

37. Segment Information

Primary Segment

Based on the guiding principles given in Ind AS- 108 on "Operating segments", the Company's business activity falls within a single operating segment viz. "Industrial Packaging". Accordingly, the disclosure requirements of Ind AS- 108 are not applicable.

Geographical Segments

Since the Group's activities/operations are primarily within the country and considering the nature of products/services it deals in, the risks and returns are same and as such there is only one geographical segment.

C. Geographical Information

- (i) Revenue from external customers: The Company's revenue from external customers basis location of the customer are as under :

Particulars	₹ in lakhs	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Within India	1,14,548.47	1,16,690.42
Outside India	18,430.89	18,141.11
Total	1,32,979.36	1,34,831.53

D. Information about major customer

There is no single customer who contributed 10% or more of the Company's revenue during the year ended March 31, 2020 and March 31, 2019.

38 The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by such date as required under law. The management is of the opinion that its international transactions are at arm's length and the transfer pricing legislation under Section 92-92F of the Income-tax Act, 1961 will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision of taxation, if any.

39. Impact of Covid-19 pandemic on the business:

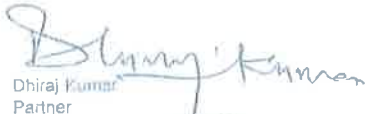
The spread of COVID-19 has severely impacted businesses around the globe. In many countries, including India, there has been severe disruption to regular business operations due to lock-downs, disruptions in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures. The Company is engaged in the business of industrial packaging and manufacture of strap, stretch, protective packaging, packaging tools and equipment that are used to apply the bulk packaging materials.

Management has performed a detailed assessment of the impact of the outbreak of Coronavirus (COVID-19) on business operations, and concluded that no adjustments are required in the financial statements to the carrying value of property, plant and equipment, goodwill, inventories, trade receivables and other assets of the company. As a result of lockdown the volumes during the lockdown period have been impacted. The Company is monitoring the situation closely and operations are being resumed in a phased manner taking into account directives from the Government. However, the situation with COVID-19 is still evolving and the various preventive measures taken by the Government of India are still in force, leading to a highly uncertain economic environment. Due to these circumstances, Management's assessment of the impact on the subsequent period is dependent upon circumstances as they evolve.




40. Subsequent to year end, pursuant to shareholder's approval via resolution dated July 8, 2020 the company has acquired remaining 69.44% shares in Stopak India Private Limited (i.e., 387,500 shares @ 2666 per share amounting to Rs. 10,330,75 lakhs). Accordingly w.e.f. August 28, 2020 the associate company has become wholly owned subsidiary of the company.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009
Chartered Accountants


Dhiraj Kumar
Partner
Membership number: 060466

Place : Hyderabad
Date : October 5, 2020

For and on behalf of the Board of Directors


RVS Ramakrishna
Managing Director


Vanaja Kaliru
Company Secretary


Gaurav Maheshwari
Whole time Director


Deep Chowdhury
Chief Financial Officer

Place : Hyderabad

Date : October 5, 2020



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For Signode India Limited

Company Secretary

Annexure 4

**Supplementary Accounting Statement of Signode India Limited for the period April 1,
2020 to November 30, 2020**

Particulars	As at Nov 30, 2020 Un Audited	As at March 31, 2020 Audited
	₹ in lakhs	₹ in lakhs
A ASSETS		
I Non-current assets		
(a) Property, plant and equipment	17,968.83	19,333.38
(b) Capital work -in-progress	699.69	260.81
(c) Goodwill	48,869.88	48,869.88
(d) Other Intangible assets	162.31	248.87
(e) Right-of-use-assets	1,924.03	2,183.35
(f) Financial assets		
(i) Investments	13,437.50	3,106.75
(ii) Other financials assets	1,300.62	1,474.88
(g) Other non-current assets	3,241.20	3,324.61
(h) Non-Current tax asset (net)	92.99	1,054.80
Total non-current assets	87,697.05	79,857.33
II Current assets		
(a) Inventories	15,983.73	14,745.39
(b) Financial assets		
(i) Trade receivables	29,137.06	30,616.19
(ii) Cash and cash equivalents	8,626.94	8,629.43
(iii) Other financials assets	1,276.43	745.46
(c) Contract assets	7,436.78	7,500.94
(d) Other current assets	1,920.47	2,130.90
Total current assets	64,381.41	64,368.31
Total assets	1,52,078.46	1,44,225.64
B EQUITY AND LIABILITIES		
I Equity		
(a) Equity share capital	7,415.29	7,415.29
(b) Other equity	99,424.71	93,333.34
Total equity	1,06,840.00	1,00,748.63
II Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Lease liabilities	211.01	349.83
(b) Provisions	252.81	333.78
(c) Deferred tax liabilities (net)	10,135.11	9,355.35
Total non-current liabilities	10,598.93	10,038.96
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	1,610.28	2,835.60
(ii) Lease liabilities	322.86	400.08
(iii) Trade payables	28,564.08	27,505.73
(iv) Other financial liabilities	1,711.87	909.56
(b) Contract liabilities	1,646.35	1,039.37
(c) Provisions	204.18	183.50
(d) Other current liabilities	579.91	564.21
Total current liabilities	34,639.53	33,438.05
Total liabilities	45,238.46	43,477.01
Total equity and liabilities	1,52,078.46	1,44,225.64

Gaurav Maheshwari

GAURAV MAHESHWARI
Managing Director
DIN:00085874



D. Chowdhury
Deep Kumar chowdhury
Chief Financial Officer

Date: 02.01.2021
Place : Hyderabad

S. Krishna Kumar

KRISHNA KUMAR
Whole time Director
DIN NO.08680432

Ankur Singh

Ankur Singhal
Company Secretary
ICSI Membership no

F-7259

Signode India Limited

Statement of Standalone Profit and Loss for the period April 01, 2020 to Nov 30, 2020

Particulars		for the period April 01, 2020 to Nov 30, 2020 Un Audited	For the year ended March 31, 2020 Audited
		₹ in lakhs	₹ in lakhs
I	Revenue from operations	70,909.12	1,32,979.36
II	Other income	502.70	1,462.80
III	Total Income (I + II)	71,411.82	1,34,442.16
IV	Expenses		
	(a) Cost of materials consumed	27,501.72	51,003.98
	(b) Purchases of stock-in-trade	15,590.25	28,181.45
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2,185.45)	(780.13)
	(d) Employee benefits expense	14,228.39	21,624.28
	(e) Finance costs	479.86	1,083.08
	(f) Depreciation, amortisation and impairment expense	1,701.43	2,673.52
	(g) Other expenses	4,731.97	9,431.57
	Total expenses	62,048.17	1,13,217.75
V	Profit before tax (III - IV)	9,363.65	21,224.41
VI	Tax expense:		
	(a) Current tax	2,492.52	5,649.76
	(b) Deferred tax	779.75	1,767.45
	(c) Taxes related to prior years	-	65.47
		3,272.28	7,482.68
VII	Profit for the year (V - VI)	6,091.37	13,741.73
VIII	Other comprehensive income		
(A)	Items that will not be re-classified to profit or loss:		
	Remeasurements of defined benefit obligation (net)	-	(160.96)
	Income tax relating to items that will not be re-classified to profit or loss	-	56.25
	Total other comprehensive income (net of tax)	-	(104.71)
	Total comprehensive Income for the year (VII+VIII)	6,091.37	13,637.02

Gaurav Maheshwari

GAURAV MAHESHWARI
Managing Director
DIN:00085874



D. Chowdhury

Deep Kumar chowdhury
Chief Financial Officer

Date: 02.01.2021
Place : Hyderabad

S. Krishna Kumar

KRISHNA KUMAR
Whole time Director
DIN NO.08680432

Ankur Singh

Ankur Singhal
Company Secretary
ICSI Membership no

F-7259

Signode India Limited
Standalone Cash Flow Statement for the period April 01, 2020 to Nov 30, 2020

(₹ in lakhs)

Particulars	for the period April 01, 2020 to Nov 30, 2020 Un Audited		For the year ended March 31, 2020 Audited	
A. Cash flow from operating activities				
Profit before tax		9,363.65		21,224.41
<u>Adjustments for:</u>				
Depreciation, amortisation and impairment expense	1,701.43		2,673.52	
Unrealised exchange loss / (gain) (net)	(33.78)		(299.29)	
Interest expense	479.86		1,083.08	
Bad debts and advances written off	-		765.61	
Provision for loss allowance of trade receivables	(41.48)		(132.64)	
Cash discount received	(4.55)		(12.78)	
(Profit)/loss on sale of fixed assets (net)	(124.25)		(11.22)	
Dividend income	-		(290.71)	
Interest income	(165.27)		(369.35)	
Liabilities no longer required written back	-		(3.74)	
		1,811.95		3,402.48
Operating profit before working capital changes		11,175.60		24,626.89
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Inventories	(1,238.34)		95.64	
Trade receivables	1,574.41		(2,640.37)	
Other financial assets	(366.28)		83.69	
Contract assets	64.16		(2,074.80)	
Other assets	268.91		(1,201.42)	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Trade payables	1,042.89		7,241.13	
Other financial liabilities	603.51		(95.08)	
Contract liabilities	606.98		327.05	
Other liabilities	15.69		(447.37)	
Provisions	(60.29)		168.97	
		2,511.64		1,457.44
Cash generated from operations		13,687.24		26,084.33
Net income tax (paid)		(1,530.71)		(4,746.10)
Net cash flow from / (used in) operating activities (A)		12,156.54		21,338.23
B. Cash flow from investing activities				
Payments for property, plant and equipments including capital advances	(775.77)		(1,515.57)	
Proceeds from sale of property, plant and equipment	532.09		50.48	
Dividend received	-		290.71	
Interest received	174.84		300.44	
Payment for Investment	(10,330.75)		-	
		(10,399.59)		(873.94)
Net cash flow from / (used in) investing activities (B)		(10,399.59)		(873.94)
C. Cash flow from financing activities				
Proceeds from / (Repayment) of short-term borrowings	(1,225.32)		(2,164.40)	
Buyback of equity shares	(0.00)		(10,650.00)	
Buyback expenses	-		(801.49)	
Proceeds from / (Repayment) of long-term borrowings	-		-	
Principle Payment of lease Liabilities	(50.27)		(318.81)	
Interest paid	(483.84)		(1,090.78)	
		(1,759.43)		(15,025.48)
Net cash flow from / (used in) financing activities (C)		(1,759.43)		(15,025.48)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(2.49)		5,438.81
Cash and cash equivalents at the beginning of the year		8,629.43		3,139.15
Effects of exchange rate changes on cash and cash equivalents		-		51.47
Cash and cash equivalents at the end of the period / year		8,626.94		8,629.44
Reconciliation of Cash and cash equivalents with the Balance Sheet:				
Net Cash and cash equivalents		8,626.94		8,629.43


GAURAV MAHESHWARI
Managing Director
DIN:00085874


Deep Kumar Chowdhury
Chief Financial Officer

Date: 02.01.2021
Place : Hyderabad




KRISHNA KUMAR
Whole time Director
DIN NO.08680432


Ankur Singhal
Company Secretary
ICSI Membership no F-7259

Annexure 5

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SIGNODE INDIA LIMITED EXPLAINING EFFECT OF THE SCHEME ON SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS, LAYING OUT IN PARTICULAR THE SHARE EXCHANGE RATIO

The proposed Scheme of Amalgamation under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 for the amalgamation of Stopak India Private Limited (“**Transferor Company**”) with Signode India Limited (“**Transferee Company**” or “**Company**”) and their respective shareholders and creditors (“**Scheme**”) was approved by the Board of Directors (“**Board**”) vide its board resolution dated December 28, 2020.

As per Section 232(2)(c) of the Companies Act, 2013, a report adopted by the directors explaining effect of compromise on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders laying out in particular the share exchange ratio, is required to be circulated along with the notice convening the meeting.

Having regard to the aforesaid provision, following was discussed by the Board:

1. The valuation report is not required as the Scheme is between a holding company that is Signode India Limited and its wholly owned subsidiary that is Stopak India Private Limited, therefore question of share exchange ratio does not arise.
2. There will be no adverse effect of the said Scheme on the shareholders, key managerial personnel, promoter and non-promoter shareholders of the Company.

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For SIGNODE INDIA LIMITED

Sd/-

Ankur Singhal

Company Secretary

Place: Hyderabad

Annexure 6

Audited Financials of Stopak India Private Limited as on March 31, 2020

STOPAK INDIA PRIVATE LIMITED

AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2020

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For Stopak India Private Limited



Director

INDEPENDENT AUDITORS' REPORT

To
The Members of
Stopak India Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Stopak India Private Limited ("the Company"), which comprise the balance sheet as at 31 March 2020, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the financial statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the *Code of Ethics*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information obtained at the date of this auditor's report is the Board's Report including Annexures to Board's Report and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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For Stopak India Private Limited

Chandra
124

Director

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far, it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account;
 - d) In our opinion, the aforesaid financial statements comply with the specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020, from being appointed as a director in terms of Section 164(2) of the Act;
 - f) With respect to adequacy of Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, as the Company is private Company, the provisions of Section 197 (16) read with Schedule V of the Act are not applicable to the Company; and





h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations as at 31 March 2020 which would impact its financial position;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For H Sreenivasan and Co
Chartered Accountants
Firm's Registration No.: 006115S

(Sreenivasan H)
Partner

Membership No. 021168

Unique Document Identification Number: 20021168AAAAFJ8973



Place: Bengaluru
Date: 23 September 2020

CERTIFIED TRUE COPY

For Stopak India Private Limited

Director



ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that;

1. a) The Company is maintaining records for its fixed assets and is in the process of updating the same to show full particulars including quantitative details and situation of its fixed assets.
- b) The fixed assets are physically verified by the management according to a phased programme designed to cover all items over a period of three financial years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any immovable property. Accordingly the provisions of clause 3(i)(c) of the Order are not applicable to the Company.
2. a) According to information and explanations given to us, the management has conducted physical verification of inventory at reasonable intervals, during the year. In our opinion, the frequency of verification is reasonable.
- b) The discrepancies noticed on physical verification of inventory as compared to book records were not material and the same have been properly dealt with in the books of account.
3. According to information and explanations given to us, the Company has not granted any interest free loans, secured or unsecured, to companies, firms, limited liability partnership firms or other parties covered in the register maintained under Section 189 of the Act.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.
5. The Company has not accepted any deposits during the year from the public to which the directives issued by the Reserve Bank of India and provision of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder apply.
6. In our opinion and according to the information and explanations given to us, the requirement for maintenance of cost records pursuant to the Companies (cost records and audit) Rules, 2014 specified by the Central Government of India under Section 148 of the Companies Act, 2013 are not applicable to the Company for the year under audit
7. a) According to the information and explanations given to us, the Company has been generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, custom duty and any other statutory dues as applicable, to the appropriate authorities. No undisputed amounts payable in respect of aforesaid statutory dues were outstanding as on the last day of the financial year for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no dues of income tax, goods and service tax, provident fund, employees' state insurance, duty of customs, which have not been deposited on account of any dispute:



8. According to the information and explanations given to us, the Company has not defaulted in the repayments of loans or borrowings to banks and financial institutions. According to the information and explanations given to us, the Company does not have any loans from government or dues to debenture holders during the year.
9. According to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). During the year the Company has not raised any term loan. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company.
10. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us, the Company has paid or provided managerial remuneration during the year. As the Company is private company provisions of Section 197 read with Schedule V of the Act is not applicable.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the records of Company, the transactions with related parties are in compliance with Section 188 of the Act where applicable and the details of such transaction have been disclosed in the financial Statements as required by accounting standard. The provisions of section 177 of the Act relating to Audit committee are not applicable to the Company during the year.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For H Sreenivasan and Co
Chartered Accountants
Firm's Registration No.: 006115S



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For Stopak India Private Limited


(Sreenivasan H)
Partner
Membership No. 021168
Unique Document Identification Number: 20021168AAAAFJ8973

Place: Bengaluru
Date: 23 September 2020



Director

**Annexure - B to the Independent Auditors' Report
(Referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Stopak India Private Limited** ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



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For Stopak India Private Limited

Chama

Director

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For H Sreenivasan and Co
Chartered Accountants
Firm's Registration No.: 006115S



(Sreenivasan H)

Partner

Membership No. 021168

Unique Document Identification Number: 20021168AAAAFJ8973



Place: Bengaluru

Date: 23 September 2020

CERTIFIED TRUE COPY

For Stopak India Private Limited



Director

STOPAK INDIA PRIVATE LIMITED
BALANCE SHEET AS AT 31 MARCH 2020

(₹ in Lakhs)

Particulars	Note No.	As at 31 March 2020	As at 31 March 2019
I. ASSETS			
Non-current assets			
Property, plant and equipment	4	864.47	904.67
Right to use assets	5	543.73	-
Other intangible assets	6	639.67	748.67
Financial assets			
(i) Deposits	7	10.47	9.80
(ii) Other non-current financial assets	8	45.00	47.14
Other non-current assets	9	1.36	7.01
Total Non-current assets		2,104.70	1,717.29
Current assets			
Inventories	10	938.49	1,287.24
Financial assets			
(i) Trade receivables	11	2,063.42	1,202.84
(ii) Cash and cash equivalents	12	642.61	378.51
(iii) Bank balances other than cash and cash equivalents	13	5,477.00	4,724.00
(iv) Other financial assets	14	76.26	52.48
Other current assets	15	1,633.00	2,129.41
Total Current Assets		10,830.78	9,774.48
Total Assets		12,935.48	11,491.77
II. EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	16	5.58	5.58
b) Other equity		10,008.69	8,681.76
Total Equity		10,014.27	8,687.34
Non-current liabilities			
Financial Liabilities			
(i) Other non-current financial liabilities	17	494.24	-
Long term provisions	18	86.40	61.83
Deferred tax liabilities (Net)	19	46.67	131.57
Total non-current liabilities		627.31	193.40
Current liabilities			
Financial Liabilities			
(i) Short term borrowings	20	600.00	1,100.00
(ii) Trade payables	21		
Total outstanding dues of micro and small enterprises		216.84	270.69
Total outstanding dues of creditors other than micro and small enterprises		1,110.34	986.58
(iii) Other financial liabilities	22	61.62	-
Other current liabilities	23	134.05	153.52
Short term provisions	24	92.30	88.49
Current tax liabilities (net)	25	78.75	11.75
Total current liabilities		2,293.90	2,611.03
Total Liabilities		2,921.21	2,804.43
Total Equity and Liabilities		12,935.48	11,491.77

Significant accounting policies

2-3

The accompanying notes form an integral part of the financial statements

As per our report of even date attached


For H Sreenivasan & Co.
Chartered Accountants
Firm's Registration No.: 006115S

For and on behalf of the Board of Directors


Sreenivasan H
Proprietor
Membership No. 021168

Place: Bengaluru
Date: 23 SEP 2020


CERTIFIED TRUE COPY
For Stopak India Private Limited
Gaurav Maheshwari
Director
DIN: 00085874
Place: Bengaluru
Date: 23 SEP 2020


Santosh C Tandon
Director
DIN: 07806047





Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

(₹ in Lakhs)

Particulars	Note No	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue			
Revenue from operations	26	10,937.29	11,800.37
Other income	27	965.62	813.32
Total Revenue (A)		11,902.91	12,613.69
Expenses			
Cost of materials consumed	28	4,784.58	6,135.94
Excise duty			-
Changes in inventories of finished goods and work in progress	29	308.80	(185.18)
Employee benefits expense	30	1,182.90	1,316.60
Finance costs	31	101.80	53.16
Depreciation and amortization expense	32	260.11	182.65
Other expenses	33	1,981.86	1,704.02
Total expenses (B)		8,620.05	9,207.19
Profit before tax (C=A-B)		3,282.86	3,406.50
Tax expense:	42		
Current tax		898.06	977.25
Prior year tax adjustment		(10.24)	-
Deferred tax		(83.36)	4.83
Total		804.46	982.08
Profit for the year		2,478.40	2,424.42
Other Comprehensive Income / (Loss)			
Items that will not be reclassified to profit or loss		(6.10)	13.86
Income tax relating to items that will not be reclassified to profit or loss		1.54	(4.04)
Total comprehensive income for the year ended, net of tax		2,473.84	2,434.24
Earnings per equity share (of ₹ 1 per share)			
(1) Basic	43	444.15	434.47
(2) Diluted		444.15	434.47

Significant accounting policies

2-3

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For H Sreenivasan & Co.
Chartered Accountants
Firm's Registration No.: 006115S

For and on behalf of the Board of Directors

Sreenivasan H
Proprietor
Membership No. 021168

Gaurav Maheshwari
Director
DIN:00085874

Santosh C Tandon
Director
DIN: 07806047

Place: Bengaluru
Date: 23 SEP 2020

For Stopak India Private Limited
Place: Bengaluru
Date: 23 SEP 2020

Director

(₹ in Lakhs)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
A. Cash flow from/(used in) operating activities		
Profit before tax	3,282.86	3,406.50
Adjustment for:		
Unwinding interest	(0.67)	(0.63)
Interest expense	101.80	53.16
Interest income on deposits	(350.84)	(190.15)
Depreciation and amortization	260.11	182.65
Unrealised exchange loss	-	-
Provision for doubtful debts	(6.50)	4.48
Loss/(Profit) from sale of Property, plant and equipment	-	-
Movement in working capital:		
(Increase)/decrease in trade receivables	(854.08)	(161.27)
(Increase)/decrease in trade payable and other financial liabilities	69.91	99.87
(Increase)/decrease in other assets	497.61	190.97
Increase/(decrease) in other liabilities and provisions	2.81	42.21
Increase/(decrease) in inventories	348.75	(82.83)
Cash generated from operations	3,351.76	3,544.96
Income tax paid	(821.58)	(999.18)
Cash generated from operations (A)	2,530.18	2,545.78
B. Cash flow from/(used) investing activities		
Purchase of Property, plant and equipment (including capital work in progress) and capital advances	(43.28)	(173.27)
Purchase of other intangibles assets	-	(1.64)
Interest received	327.06	155.84
Proceeds from sale of Property, plant and equipment	1.24	-
(Increase)/decrease in fixed deposit with bank	(750.86)	(2,506.12)
Cash (used) in investing activities (B)	(465.84)	(2,525.19)
C. Cash flow from/(used in) financing activities		
Proceed/(repayment) of borrowings (net)	(500.00)	165.14
Dividend paid (including dividend distribution tax)	(1,146.91)	-
Payment towards lease liabilities	(102.96)	-
Interest paid	(50.38)	(53.16)
Cash (used) in/generated from financing activities (C)	(1,800.25)	111.98
Net increase in cash and cash equivalents (A+B+C)	264.10	132.58
Cash and cash equivalents at the beginning of the year	378.51	245.93
Cash and cash equivalents at the end of the year	642.61	378.51
Components of cash and cash equivalents		
Cash on hand	0.04	0.41
Balances with banks in current accounts	642.57	178.10
Balances with banks in deposit with original maturity of less than 3 months	-	200.00
Total cash and bank balances (Refer note 12)	642.61	378.51

Significant accounting policies

2-3

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For H Sreenivasan & Co.
Chartered Accountants
Firm's Registration No.: 006115S

For and on behalf of the Board of Directors

H Sreenivasan H
Proprietor
Membership No. 021168

Place: Bengaluru
Date: 23 SEP 2020



Gaurav Maheshwari
Director
DIN: 00085874
Place: Bengaluru
Date: 23 SEP 2020

Gaurav Maheshwari
Director

Director

Santosh C Tandon
Director
DIN: 07806047

Santosh C Tandon
Director
DIN: 07806047



STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 31 MARCH 2020

A Equity (₹ in Lakhs)

Particulars	Amount
Balance as at 1 April 2018	5.58
Changes in equity share capital during the year	-
Balance as at 31 March 2019	5.58
Changes in equity share capital during the year	-
Balance as at 31 March 2020	5.58

B Other Equity (₹ in Lakhs)

Particulars	Reserves and Surplus		
	Securities Premium	Retained Earnings	Total
Balances at 1 April 2018	1,049.44	5,198.08	6,247.52
Addition during the year	-	-	-
Profit for the year	-	2,424.42	2,424.42
Other Comprehensive Income for the year, net of tax	-	9.82	9.82
Balance at 31 March 2019	1,049.44	7,632.32	8,681.76
Profit for the year	-	2,478.40	2,478.40
Other Comprehensive Income for the year, net of tax	-	(4.56)	(4.56)
Dividend paid (including dividend tax)	-	(1,146.91)	(1,146.91)
Balance at 31 March 2020	1,049.44	8,959.25	10,008.69

Significant accounting policies

2-3

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For H Sreenivasan & Co.
Chartered Accountants
Firm's Registration No.: 006115S

For and on behalf of the Board of Directors

(Sreenivasan H)
Proprietor
Membership No. 021168



Gaurav Maheshwari
Gaurav Maheshwari
Director
DIN:00085874

Santosh C Tandon
Santosh C Tandon
Director
DIN: 07806047

Place: Bengaluru
Date: 23 SEP 2020

Place: Bengaluru
Date: 23 SEP 2020



CERTIFIED TRUE COPY

For Stopak India Private Limited

Gaurav Maheshwari
Gaurav Maheshwari
Director

Director

1. Corporate information

Stopak India Private Limited ("the Company") was incorporated on 08 May 2008 with the objective of manufacturing specialised Packing material. Trade, Export, Import of packaging products for bulk packaging industry in joint venture with Stopak pty Ltd. The Company is subsidiary of M/s SPG Netherlands BV. The ultimate holding company is Signode Industrial Group Holdings (Bermuda) Ltd.

2. Significant accounting policies

2.1 Basis of preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards ('Ind AS') Specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended. The financial statements of the Company are prepared and presented in accordance with Ind AS.

The standalone financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.2 Summary of significant accounting policies

a. Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities. The effect of change in an accounting estimate is recognized prospectively.

b. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.



A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

Deferred tax assets/ liabilities are classified as non-current assets/ liabilities.

c. Fair value measurement

The Company measures financial instruments at fair values at each Balance Sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable



Level 3 -- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

d. Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the Property, plant and equipment is de-recognized.



Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

Costs of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress.

e. Depreciation on Property, plant and equipment

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight line method as prescribed under schedule II to the Companies Act, 2013. The estimated useful lives, residual values and depreciation are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The estimated useful lives of assets are as follows:

Asset class	Useful life as per management
Plant and Machinery	15 years
Furniture and fittings	10 years
Vehicles* (second hand vehicle)	2 years
Computers	3 years
Office equipment	5 years

* The Company believes the useful lives as given above best represent the useful life of these assets based on internal assessment where necessary, which is different from the useful lives as prescribed under part C of Schedule II of the Companies Act, 2013.

f. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The Company determines the tax as per the provisions of Income Tax Act 1961 and other rules specified thereunder.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.



Deferred tax

Deferred tax is provided in full using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

g. Provisions and Contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability.



Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities."

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

h. Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Costs of inventories are determined on weighted average basis. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance. Work in progress and finished goods includes appropriate proportion of overheads. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and cost necessary to make sale.

i. Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

1. Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- a. the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- b. the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- c. the amount of revenue can be measured reliably;
- d. it is probable that the economic benefits associated with the transaction will flow to the Company; and
- e. the costs incurred or to be incurred in respect of the transaction can be measured reliably

Sales include excise duty but exclude sales tax, value added tax and goods and service tax.



Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

II. Interest and other income

Income in respect of interest on fixed deposit with banks is recognized on accrual basis at the rate at which such entitlement accrue. Royalty income is accounted on accrual basis.

j. Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

Foreign currency transactions and balances

- Initial recognition - Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- Exchange differences - The Company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as income or as expense in the period in which they arise.

k. Financial instruments

Initial recognition

The company recognise the financial asset and financial liabilities when it becomes a party to the contractual provisions of the instruments. All the financial assets and financial liabilities are recognised at fair value on initial recognition, except for trade receivable which are initially recognised at transaction price. Transaction cost that are directly attributable to the acquisition of issue of financial asset and financial liabilities that are not at fair value through profit and loss are added to the fair value on the initial recognition.

Subsequent measurement

(A) Non derivative financial instruments

(i) Financial Assets at amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.



This category is the most relevant to the Company. All the Loans and other receivables under financial assets (except Investments) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by impairment amount.

(ii) Financial Assets at Fair Value through Profit or Loss/OCI

Instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

If the company decides to classify an instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

(iii) Financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

(a) Trade & other payable

After initial recognition, trade and other payables maturing within one year from the Balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(iv) Financial guarantee contracts

The Company on a case to case basis elects to account for financial guarantee contracts as a financial instrument or as an insurance contract, as specified in Ind AS 109 on Financial Instruments and Ind AS 104 on Insurance Contracts. The Company has regarded all its financial guarantee contracts as insurance contracts. At the end of each reporting period the Company performs a liability adequacy test, (i.e. it assesses the likelihood of a pay-out based on current undiscounted estimates of future cash flows), and any deficiency is recognized in profit or loss.

I. Retirement and other employee benefits

Retirement benefits in the form of state governed Employee Provident Fund, Employee State Insurance and Employee Pension Fund Schemes are defined contribution schemes (collectively the 'Schemes'). The Company has no obligation, other than the contribution payable to the Schemes. The Company recognizes contribution payable to the Schemes as expenditure, when an employee renders the related service. The contribution paid in excess of amount due is recognized as an asset and the contribution due in excess of amount paid is recognized as a liability.

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the



balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to statement of profit and loss. As required under Ind AS compliant Schedule III, the Company recognizes re-measurement gains and losses on defined benefit plans (net of tax) to retained earnings.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

m. Leases

Whenever the Company enters into a new arrangement, it must determine, at the inception date, whether the arrangement contains a lease. This determination generally depends on whether the arrangement conveys to the Company the right to control the use of an explicitly or implicitly identified fixed asset for a period of time in exchange for consideration. Control of an underlying asset is conveyed to the Company if the Company obtains the rights to direct the use of and to obtain substantially all of the economic benefits from using the underlying asset.

If a lease exists, the Company must then determine the separate lease and non-lease components of the arrangement. Each right to use an underlying asset conveyed by a lease arrangement should generally be considered a separate lease component if it both: (i) can benefit the Company without depending on other resources not readily available to the Company and (ii) does not significantly affect and is not significantly affected by other rights of use conveyed by the lease. Aspects of a lease arrangement that transfer other goods or services to the Company but do not meet the definition of lease components are considered non-lease components. The consideration owed by the Company pursuant to a lease arrangement is generally allocated to each lease and non-lease components for accounting purposes. Each lease component is accounted for separately from other lease components, but together with the associated non-lease components.

Generally, upon the commencement of a lease, the Company will record a lease liability and a right-of-use (ROU) asset. However, the Company has elected, for certain classes of underlying assets with initial lease terms of twelve months or less (known as short-term leases), to not recognize a lease liability or ROU asset. Lease liabilities are initially recorded at lease commencement as the present value of future lease payments. ROU assets are initially recorded at lease commencement as the initial amount of the lease liability, together with the



following, if applicable: (i) initial direct costs and (ii) lease payments made, net of lease incentives received, prior to lease commencement.

Over the lease term, the Company generally increases its lease liabilities using the effective interest method and decreases its lease liabilities for lease payments made. The Company generally amortizes its ROU assets over the shorter of the estimated useful life and the lease term and assesses its ROU assets for impairment, similar to other long-lived assets.

n. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares

o. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

2.3 Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. In the process of applying the Company's accounting policies,



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

management makes judgement, estimates and assumptions which have the most significant effect on the amounts recognized in the financial statements.

A. Recoverability of advances/receivables

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

B. Useful lives of depreciable/amortizable assets

Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software and other assets.

C. Defined Benefit Obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

D. Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

E. Provisions

At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding warranties and guarantees. However the actual future outcome may be different from this judgement.

F. Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

3. Recent accounting pronouncements

There are no major pronouncements which would impact the Company. Further the Company is in the regular process of evaluating the effect of any pronouncements as and given issued on the financial statements.



STOPAK INDIA PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

4 PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Tangible Assets								Total	
	Furniture and fixtures	Office equipment	Plant and Equipment	Computer Equipment	Leasehold premises	Vehicle				
Gross block										
As at 1 April 2018	18.29	9.64	921.35	15.67	24.33	12.43			1,001.72	
Additions	1.52	2.61	151.22	2.56	15.36	-			173.27	
Deductions	-	-	-	-	-	-			-	
As at 31 March 2019	19.81	12.25	1,072.57	18.23	39.70	12.43			1,174.98	
Additions	-	4.90	33.98	-	4.40	-			43.28	
Deductions	-	-	-	-	-	(12.43)			(12.43)	
As at 31 March 2020	19.81	17.15	1,106.55	18.23	44.10	-			1,205.83	
Depreciation										
As at 1 April 2018	5.78	7.72	157.87	11.06	1.94	10.28			194.65	
Charge for the year	2.03	0.71	65.21	3.31	3.50	0.90			75.66	
Deductions	-	-	-	-	-	-			-	
As at 31 March 2019	7.81	8.43	223.08	14.37	5.44	11.19			270.31	
Charge for the year	2.16	0.86	73.36	1.59	4.27	-			82.24	
Deductions	-	-	-	-	-	(11.19)			(11.19)	
As at 31 March 2020	9.97	9.29	296.44	15.96	9.71	-			341.37	
Net block										
As at 31 March 2019	12.00	3.82	849.49	3.86	34.26	1.24			904.67	
As at 31 March 2020	9.84	7.86	810.11	2.27	34.39	-			864.47	



5 RIGHT TO USE ASSETS

(₹ in Lakhs)

Particulars	Category of Right to use Assets	
	Factory building	Total
Gross block		
As at 1 April 2019	-	-
Initial recognition under IND AS 116 *	612.59	612.59
Additions	-	-
Deductions	-	-
As at 31 March 2020	612.59	612.59
Depreciation		
As at 1 April 2019	-	-
Charge for the year	68.86	68.86
Deductions	-	-
As at 31 March 2020	68.86	68.86
Net block		
As at 31 March 2020	543.73	543.73

*Effective 01 April 2019, the Company adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on 01 April 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the ROU asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended 31 March 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of the financial for year ended 31 March 2019.

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.



6 OTHER INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Intangible Assets		
	Computer Software	Patent and Trademark	Total
Gross block			
As at 1 April 2018	36.40	1,018.30	1,054.70
Additions	1.64	-	1.64
Deductions	-	-	-
As at 31 March 2019	38.04	1,018.30	1,056.34
Additions	-	-	-
Deductions	-	-	-
As at 31 March 2020	38.04	1,018.30	1,056.34
Depreciation/Amortization			
As at 1 April 2018	14.03	186.64	200.67
Charge for the year	5.16	101.83	106.99
As at 31 March 2019	19.19	288.47	307.66
Charge for the year	6.94	102.07	109.01
Deductions	-	-	-
As at 31 March 2020	26.13	390.54	416.68
Net block			
As at 31 March 2019	18.84	729.83	748.67
As at 31 March 2020	11.91	627.76	639.67



7 DEPOSITS

(Unsecured, considered good)

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Financial assets at Amortised Cost		
Security deposits	10.47	9.80
Total	10.47	9.80

8 OTHER NON-CURRENT FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Fixed deposits with banks*	45.00	45.00
Accrued interest	-	2.14
Total	45.00	47.14

* Under lien with banks for issuance of bank guarantee.

9 OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred lease rentals	-	4.45
Prepaid expenses	0.45	0.56
Capital advance	0.91	2.00
Total	1.36	7.01

10 INVENTORIES

(At lower of cost or Net Realisable Value)

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Raw Materials and components	322.14	362.08
Work-in-progress	3.91	7.56
Finished goods*	612.44	917.60
Total	938.49	1,287.24

*Finished goods includes goods-in transit of ₹ 407.85 Lakhs (as at 31 March 2019: ₹ 552.66 Lakhs)



11 TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Trade Receivables:		
Unsecured, considered good*	2,063.42	1,202.84
Unsecured, credit impaired	10.30	16.80
	2,073.72	1,219.64
Less: Provision for expected credit loss	(10.30)	(16.80)
Total	2,063.42	1,202.84

* Trade receivables includes due from related parties of ₹ 408.93 lakhs (as at 31 March 2019: ₹ 255.72 Lakhs)

Note:

The Company estimates the allowance for uncollectible accounts based on the greater of a specific reserve and a reserve calculated based on the historical write-off percentage over the last two years. In addition, the allowance for uncollectible accounts includes reserves for customer credits and cash discounts, which are also estimated based on past experience.

Reconciliation of provision for expected credit loss:

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of the year	16.80	12.32
Add: Provision for expected credit loss recognised during the year	6.16	11.69
Less: Provision reversed during the year	(12.66)	(7.21)
Balance at the end of the year	10.30	16.80



12 CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Cash on hand	0.04	0.41
Balances with banks:		
In current account	642.57	178.10
In fixed deposits (with original maturity within 3 months)	-	200.00
Total	642.61	378.51

13 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Term deposit with banks		
Deposits with original maturity of more than three months but less than twelve months	5,477.00	4,724.00
Deposits with original maturity of more than twelve months	45.00	45.00
	5,522.00	4,769.00
Less: Term Deposit with Bank maturing after 12 months from the balance sheet date classified as Non-Current Financial Asset (Refer Note 8)	45.00	45.00
Total	5,477.00	4,724.00

14 OTHER CURRENT FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Interest accrued on term deposits	76.26	52.48
Total	76.26	52.48

15 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
(Unsecured, considered good)		
Advances to suppliers	9.06	15.55
Deferred lease rental	-	0.75
Balances with government authorities	1,463.64	2,006.95
Prepaid expenses	160.30	106.16
Total (a)	1,633.00	2,129.41
(Unsecured, credit impaired)		
Balances with government authorities	250.75	-
Less: Provision for expected credit loss	(250.75)	-
Total (b)	-	-
Total (a+b)	1,633.00	2,129.41



16 EQUITY

A) Equity

Particulars	(₹ in Lakhs)	
	As at 31 March 2020	As at 31 March 2019
EQUITY SHARE CAPITAL		
Authorised:		
5,000,000 equity shares of ₹ 1/- each	50.00	50.00
	50.00	50.00
Equity shares		
Issued, Subscribed and Paid Up:		
558,012 (as at 31 March 2019: 558,012) Equity Shares of ₹ 1/- each fully paid up.	5.58	5.58
Total Equity	5.58	5.58

i) Terms / rights attached to each class of shares

The Company has only one class of equity shares having a par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. The Company normally declares and pays dividends in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. During the year ended 31 March 2020, on account of the interim dividend for financial year ended 31 March 2020 the Company has incurred a net cash outflow of ₹ 1,146.91 lakhs inclusive of dividend distribution tax.

ii) There has been no movement in number of issued, subscribed and paid up equity shares during the current year and previous year.

iii) Details of shareholders holding more than 5 percent shares

Name of Shareholder	As at 31 March 2020		As at 31 March 2019	
	Number	%	Number	%
Equity shares of ₹ 1 each fully paid up				
Signode Netherlands BV	3,87,500	69.44%	3,87,500	69.44%
(Formerly known as SPG Netherlands BV)				
Signode India Ltd	1,70,512	30.56%	1,70,512	30.56%

iv) Details of shares held by the holding company

Name of Shareholder	As at 31 March 2020		As at 31 March 2019	
	Number	%	Number	%
Signode Netherlands BV				
(Formerly known as SPG Netherlands BV)				
(the holding Company)	3,87,500	69.44%	3,87,500	69.44%

v) The Company has not issued any bonus shares nor there has been any buy back of shares during five years immediately preceding 31 March 2020



16 EQUITY

B) Other Equity

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Securities premium		
Opening balance	1,049.44	1,049.44
Add: addition during the year	-	-
Total (a)	1,049.44	1,049.44
Surplus in statement of profit and loss		
Opening balance	7,632.32	5,198.08
Add: profit during the year	2,478.40	2,424.42
Add: Other comprehensive income for the year, net of tax	(4.56)	9.82
Less: Dividend paid (including dividend distribution tax)	(1,146.91)	-
Total (b)	8,959.25	7,632.32
Total (a+b)	10,008.69	8,681.76

17 OTHER NON-CURRENT FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Operating lease liabilities	494.24	-
Total	494.24	-

(i) The movement in lease liabilities during the year ended 31 March 2020 is as follows:

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of the year	-	-
Additions	607.40	-
Finance cost accrued during the year	51.42	-
Payment of lease liabilities	(102.96)	-
Balance at the end of the year	555.86	-
Current lease liabilities	61.62	-
Non-current lease liabilities	494.24	-

(ii) The details of the contractual maturities of lease liabilities as at 31 March 2020 on an undiscounted basis are as follows:

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Less than one year	108.11	102.96
One to five years	489.75	465.96
More than five years	125.95	257.36
Total	723.81	826.28

(iii) The weighted average incremental borrowing rate applied to lease liabilities is 8.80%.

(iv) For the year ended 31 March 2019, the amount of minimum lease payments with respect to the above lease recognised in the profit and loss statement for the year is ₹ 99.61 lakhs.



18 LONG TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits		
Provision for Gratuity (Refer note 35)	51.30	24.57
Provision for leave encashment	35.10	37.26
Total	86.40	61.83

19 DEFERRED TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred Tax Liabilities*		
Tax effect of items constituting deferred tax liability on Depreciation	148.97	165.88
Total (a)	148.97	165.88
Deferred Tax Assets*		
Tax effect of items constituting deferred tax assets on		
Disallowance u/s 43B of the Income Tax Act	24.15	19.95
Provision for expected credit loss	65.70	4.89
Disallowance u/s 40a(i) of the Income tax Act	8.19	9.47
Lease payments	4.26	-
Total (b)	102.30	34.31
Total (a-b)	46.67	131.57

*The tax impact for the above purpose has been arrived at by applying the tax rate of 25.168% (As at 31 March 2019: 29.12%) being the prevailing tax rate for Indian companies under the Income Tax Act, 1961.

a Movement in the deferred tax assets/(liabilities)

(₹ in Lakhs)

Particulars	Property, plant and equipment	Provision for expected credit loss	Disallowance under income tax act	Lease payments
Opening balance as at 01 April 2018	(173.16)	4.27	46.20	-
(Charged)/credited:				
- to profit or loss	7.28	0.62	(12.74)	-
- to other comprehensive income	-	-	(4.04)	-
Closing balance as at 31 March 2019	(165.88)	4.89	29.42	-
Opening balance as at 01 April 2019	(165.88)	4.89	29.42	-
(Charged)/credited:				
- to profit or loss	16.91	60.81	1.38	4.26
- to other comprehensive income	-	-	1.54	-
Closing balance as at 31 March 2020	(148.97)	65.70	32.34	4.26



20 SHORT TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Financial Liabilities at amortised cost		
Secured		
Foreign currency loans from banks:		
Pre-shipment credit finance (refer note 20.1 below)	600.00	1,100.00
Total	600.00	1,100.00

20.1 Packing credit/Cash credit facility from Citi Bank Ltd as at 31 March 2020 of ₹ 600.00 Lakhs (31 March 2019: ₹ 1,100.00 Lakhs), is secured by hypothecation of present and future stocks, book debts and plant and machinery on pari-passu basis. The rate of interest on the loan is ranging from LIBOR +spread (1%). The loan is repayable within 0 days to 120 days from the date of sanction.

20.2 Net debt reconciliation

(₹ in Lakhs)

Particulars	As at 31 March 2020	Total
Balance as at 31 March 2018	934.86	934.86
Cash flow (net)	133.19	133.19
Interest expense	31.95	31.95
Balance as at 31 March 2019	1,100.00	1,100.00
Cash flow (net)	(528.73)	(528.73)
Interest expense	28.73	28.73
Balance as at 31 March 2020	600.00	600.00



21 TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Financial Liabilities at amortised cost		
Total outstanding dues of micro and small enterprises (refer note a below)	216.84	270.69
Total outstanding dues of creditors other than micro and small enterprises*	1,110.34	986.58
Total	1,327.18	1,257.27

*Includes dues to related parties of ₹ 53.22 lakhs (previous year: ₹ 23.99 Lakhs)

- a) Details of amount outstanding to Micro and Small enterprises based on available information with the Company is as follows:

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Principal amount due and remaining unpaid	216.84	270.69
On account of Raw Materials	-	-
On account of capital goods	-	-
Interest paid on all delayed payments under the MSMED Act	-	-
Amount of payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay other than (3) above	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

This information has been determined to the extent the Company have received intimation from the suppliers regarding their status under the Act.

22 OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Operating lease liabilities (refer note 17)	61.62	-
Total	61.62	-

23 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Statutory dues	39.10	53.41
Employee benefits payable	94.95	100.11
Total	134.05	153.52



24 SHORT TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits		
Provision for bonus	82.73	82.12
Provision for leave encashment (unfunded)	9.57	6.37
Total	92.30	88.49

25 CURRENT TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Current tax liabilities		
Provision for tax	141.03	1,012.88
Current tax assets		
Advance tax and Tax deducted at source	(62.28)	(1,001.13)
Total	78.75	11.75



26 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Sale of products	10,937.29	11,800.37
Total	10,937.29	11,800.37

i Impact on adoption of Ind AS 115:

The Company applied Ind AS 115 for the first time by using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the cumulative effect of initially applying Ind AS 115 is recognised as an adjustment to the opening balance of retained earnings as at 1 April 2018. Comparative prior period has not been adjusted.

The adoption of the new standard did not have a material impact as at 1 April 2018 for the revenue contracts that are not completed as at that date.

ii Reconciliation of revenue recognised with contract price

The Company invoices its customers at an agreed price as per the sales order received by the Company. Accordingly, there are no differences between the agreed contract price and the amount revenue recognized by the Company.

iii Disaggregation of revenue from contracts with customers

Refer Note 36 for disaggregated revenue information.

iv Assets and liabilities in relation to contracts with customers

(₹ in Lakhs)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Assets		
Trade receivables	2,063.42	1,202.84
Total	2,063.42	1,202.84

27 OTHER INCOME

(₹ in Lakhs)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest income	350.84	190.15
Foreign exchange gain (net)	340.48	235.74
Export incentives	258.25	384.02
Other income	6.55	3.41
Sundry balance no longer payable write back	3.00	-
Reversal of provision for doubtful debts	6.50	-
Total	965.62	813.32



28 COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening stock	362.08	464.44
Add: Purchases	4,744.64	6,033.58
	5,106.72	6,498.02
Less: Closing stock	322.14	362.08
Total	4,784.58	6,135.94

29 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Inventory at the beginning of the year		
Work-in-progress	7.56	22.37
Finished goods (including goods-in-transit)	917.60	717.61
Total (a)	925.16	739.98
Inventory at the end of the year		
Work-in-progress	3.91	7.56
Finished goods (including goods-in-transit)	612.44	917.60
Total (b)	616.36	925.16
Change in inventories (a-b)	308.80	(185.18)

30 EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Salaries, wages and incentives	1,111.04	1,244.16
Contribution to provident and other funds	22.38	19.54
Gratuity expenses	24.70	21.64
Staff welfare expenses	24.78	31.26
Total	1,182.90	1,316.60



31 FINANCE COSTS

(₹ in Lakhs)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest on borrowings	28.73	31.95
Interest on delayed payment of statutory dues	14.00	11.55
Other finance cost	6.87	7.71
Interest on shortfall of advance tax	0.78	1.96
Interest on lease expenses	51.42	-
Total	101.80	53.16

32 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lakhs)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Depreciation on property, plant and equipment (refer note 4)	82.24	75.66
Depreciation on right to use assets (refer note 5)	68.86	-
Amortisation on intangible assets (refer note 6)	109.01	106.99
Total	260.11	182.65



33 OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Rent	8.05	107.31
Repairs and maintenance		
- Plant and machinery	45.79	64.73
- Others	8.38	6.39
Power and fuel	43.13	52.74
Printing and stationery	2.98	3.05
Security charges	16.56	16.58
Communication expenses	5.83	6.15
Legal and professional charges	242.11	196.25
Advertising & business promotion	0.30	7.81
Product research expenses	21.63	33.50
Travelling and conveyance expenses	70.68	73.02
Insurance	17.25	22.68
Payments to auditors:		
Statutory audit	4.00	4.00
Tax audit	1.60	1.60
other services	3.27	2.31
Customs clearance charges	970.04	822.04
Sales commission	7.15	7.15
Transport charges	40.00	73.93
Technical consultancy services	124.19	123.63
Rates and taxes	26.00	15.88
Provision for expected credit loss on trade receivables	-	4.48
Provision for expected credit loss on others assets	250.75	-
Bank charges	11.47	17.58
Corporate social responsibility expenditure (refer note 37)	31.00	17.45
Miscellaneous expenses	29.70	23.76
Total	1,981.86	1,704.02

34 CONTINGENT LIABILITY AND COMMITMENTS

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Capital Commitments		
Capital commitments towards capital assets (net of advances paid)	0.64	1.40
Contigent Liabilities		
Contigent Liabilities (refer note below)	-	-

Note

- (i) There are numerous interpretative issues relating to the Supreme Court (SC) judgement dated February 28, 2019 on Provident Fund (PF) on the inclusion of allowances for the purpose of PF contribution as well as its applicability of effective date. The Company is evaluating and seeking legal inputs regarding various interpretative issues and its impact.



35 EMPLOYEE BENEFIT OBLIGATIONS

i) Defined Contribution Plans:

The following amount recognized as an expense in Statement of profit and loss on account of provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities.

(₹ in Lakhs)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Contribution to provident fund	21.22	17.75
Contribution to Employee state insurance	1.16	1.79

ii) Defined Benefit Plan:

The Company has a funded defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972 with total ceiling on gratuity of ₹ 2,000,000.

The following tables summaries the components of net benefit expense recognised in the Statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Statement of profit and loss		
Net employee benefit expense recognised in the employee cost		
Current service cost	23.21	20.71
Interest cost on defined benefit obligation	1.49	0.93
Total expense charged to profit and loss account	24.70	21.64
Amount recorded in Other Comprehensive Income (OCI)		
Opening amount recognised in OCI outside profit and loss account	(24.15)	(10.29)
Remeasurement during the period due to :		
Actuarial loss / (gain) arising from change in financial assumptions	8.52	-
Actuarial loss / (gain) arising from change in demographical assumptions	(5.39)	0.00
Actual return on plan assets less interest on plan assets	0.72	0.80
Actuarial loss / (gain) arising on account of experience changes	2.25	(14.66)
Amount recognised in OCI outside profit and loss account	6.10	(13.86)
Closing amount recognised in OCI outside profit and loss account	(18.05)	(24.15)
Reconciliation of net liability / asset		
Opening defined benefit liability / (assets)	24.57	17.28
Expense charged to profit & loss account	24.70	21.64
Amount recognised in outside profit and loss account	6.10	(13.86)
Employer Contributions	(4.07)	(0.49)
Closing net defined benefit liability / (asset)	51.30	24.57



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Movement in benefit obligation and plan assets

A reconciliation of the benefit obligation during the inter-valuation period:

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Opening defined benefit obligation	100.32	88.42
Current service cost	23.21	20.71
Interest on defined benefit obligation	7.38	6.48
Remeasurement during the period due to :		
Actuarial loss / (gain) arising from change in financial assumptions	8.52	-
Actuarial loss / (gain) arising from change in demographic assumptions	(5.39)	0.00
Actuarial loss / (gain) arising on account of experience changes	2.25	(14.66)
Benefits paid	(4.07)	(0.63)
Closing defined benefit obligation [liability / (asset)] recognised in balance sheet	132.22	100.32

A reconciliation of the plan assets during the inter-valuation period:

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Opening defined benefit obligation	75.75	71.14
Employer Contributions	4.07	0.49
Interest on plan assets	5.90	5.55
Remeasurement during the period due to :		
Actual return on plan assets less interest on plan assets	(0.73)	(0.80)
Actuarial loss / (gain) arising from change in demographic assumptions	-	-
Actuarial loss / (gain) arising on account of experience changes	-	-
Benefits paid	(4.07)	(0.63)
Closing plan assets recognised in balance sheet	80.92	75.75

Net liability is bifurcated as follows :

Current	-	-
Non-current	51.30	24.56
Net liability	51.30	24.56

The principal assumptions used in determining gratuity benefit obligation for the company's plans are shown below:

Discount rate	6.90%	7.60%
Salary escalation rate (p.a.)	8.00%	8.00%
Withdrawal rate	18% at younger age reducing to 0% at older ages	18% at younger age reducing to 0% at older ages
Mortality pre-retirement	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

A quantitative analysis for significant assumption is as shown below:
Indian gratuity plan:

Particulars	As at 31 March 2020	As at 31 March 2019
Assumptions -Discount rate		
Sensitivity Level (a hypothetical increase / (decrease) by)	0.50%	0.50%
Impact on defined benefit obligation -increase of sentivity level	-4.67%	-4.61%
Impact on defined benefit obligation -decrease of sentivity level	5.06%	4.98%
Assumptions -Future salary escalations rates		
Sensitivity Level (a hypothetical increase / (decrease) by)	0.50%	0.50%
Impact on defined benefit obligation-increase of sentivity level	4.98%	4.58%
Impact on defined benefit obligation-decrease of sentivity level	-4.65%	-4.27%

The following payments are expected contributions to the defined benefit plant in future years.

Particulars	As at 31 March 2020	As at 31 March 2019
Expected benefits for year 1	7.77	6.37
2-3 year	7.95	6.37
3-4 year	19.04	6.48
4-5 year	7.33	14.79
5-10 year	50.98	45.73
10 year and above	211.77	173.55

The average duration of the defined benefit plan obligation at the end of the reporting period is 9.48 years
(previous year: 9.50 years).



36 SEGMENTAL INFORMATION

In accordance with IND AS 108 "Operating segment" - The Company used to present the segment information identified on the basis of internal report used by the Company to allocate resources to the segment and assess their performance. The Board of Directors of the Company is collectively the Chief Operating Decision Maker (CODM) of the Company

The chief operating decision maker monitors the operating results of its segment separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated on the basis on profit and loss.

Summary of the segment information as follows

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Segment revenue		
Sales and income from operations		
Within India	410.09	363.92
Outside India	10,527.20	11,436.45
Total	10,937.29	11,800.37
Carrying amount of assets by geographical location of assets		
Segment assets		
Within India	9,844.66	8,822.19
Outside India	3,090.82	2,669.58
Total	12,935.48	11,491.77
Additions to property, plant and equipment (including intangible assets and capital work in progress)		
Within India	43.28	174.91
Outside India	-	-
Total	43.28	174.91

All non-financial assets are located in India.

37 CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The areas for CSR activities are eradicating hunger, poverty and malnutrition, promoting preventive health care including preventive health care, ensuring environmental sustainability education, promoting gender equality and empowering women and other activities. The amount has been expended on the activities which are specified in Schedule VII of the Companies Act, 2013.

(₹ in Lakhs)

Particulars	Current year 2019-20	Previous year 2018-19
Gross amount required to be spent by the Company during the year	60.51	44.91
Less: amount spent during the year in cash		
towards promoting education to children	-	-
towards community service project	31.00	17.45
Net amount unspent/(excess) amount spent	29.51	27.46



38 FAIR VALUE MEASUREMENTS

(i) Financial instruments by category and fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value through Other Comprehensive Income (OCI) or fair value through Profit and Loss and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining the fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ in Lakhs)			
Particulars	Notes	As at 31 March 2020 (Amortised Cost) (Level 3)	As at 31 March 2019 (Amortised Cost) (Level 3)
Financial Assets			
Deposits	7	10.47	9.80
Other non current financial assets	8	45.00	47.14
Trade receivables	11	2,063.42	1,202.84
Cash and cash equivalents	12	642.61	378.51
Other Bank balances	13	5,477.00	4,724.00
Other current financial assets	14	76.26	52.48
Total financial assets		8,314.76	6,414.77
Financial liabilities			
Short term Borrowings	20	600.00	1,100.00
Trade payables	21	1,327.18	1,257.27
Other financial liabilities:			
Lease liabilities	22	555.86	-
Total financial liabilities		2,483.04	2,357.27

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between Level 1, Level 2 and Level 3 during the year.

The Company's policy is to recognise transfer into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of security deposits are considered to be the same as their fair values since difference between the fair value and the carrying amounts of security deposits is not considered to be material.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.



39 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The risk management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Management has overall responsibility for the establishment and oversight of the Company's risk management framework.

In performing its operating, investing and financing activities, the Company is exposed to the Credit risk, Liquidity risk and Market risk.

Carrying amount of financial assets and liabilities:

The following table summaries the carrying amount of financial assets and liabilities recorded at the end of the period by categories:

Particulars	(₹ in Lakhs)	
	As at 31 March 2020	As at 31 March 2019
Financial assets		
Cash and cash equivalents	642.61	378.51
Bank balances other than above	5,477.00	4,724.00
Trade receivables	2,063.42	1,202.84
Other current financial assets	76.26	52.48
Deposits	10.47	9.80
Other non current financial assets	45.00	47.14
At end of the year	8,314.76	6,414.77
Financial liabilities		
Borrowings	600.00	1,100.00
Trade payables	1,327.18	1,257.27
Other financial liabilities		-
At end of the year	1,927.18	2,357.27

(i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

(ii) Credit risk on financial assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents and receivables, and other financial assets. The maximum exposure to credit risk is: the total of the fair value of the financial instruments and the full amount of any loan payable commitment at the end of the reporting year. Credit risk on cash balances with banks is limited because the counterparties are entities with acceptable credit ratings. Credit risk on other financial assets is limited because the other parties are entities with acceptable credit ratings. For credit risk on receivables an ongoing credit evaluation is performed on the financial condition of the debtors and a loss from impairment is recognised in profit or loss. The exposure to credit risk is controlled by setting limits on the exposure to individual customers and these are disseminated to the relevant persons concerned and compliance is monitored by management. There is no significant concentration of credit risk, as the exposure is spread over a large number of counter-parties and customers unless otherwise disclosed in the notes to the financial statements below.

As disclosed in Note 12, cash and cash equivalents balances generally represent short term deposits with a less than 90-day maturity.

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade receivable customers is about 120 days. But some customers take a longer period to settle the amounts.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Exposure to credit risk

Financial asset for which loss allowance is measured using expected credit loss model

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Financial assets		
Cash and cash equivalents	642.61	378.51
Other bank balances	5,477.00	4,724.00
Trade receivables	2,063.42	1,202.84
Other current financial assets	76.26	52.48
Deposits	10.47	9.80
Other non-current financial assets	45.00	47.14
At end of the year	8,314.76	6,414.77

(a) Ageing analysis of the age of trade receivable amounts that are not due as at the end of reporting year:

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Within credit days	-	-

(b) Ageing analysis of the age of trade receivable amounts that are past due as at the end of reporting year but not impaired:

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Trade receivables:		
Less than 60 days	2,011.17	1,202.84
61 to 120 days	52.60	-
	2,063.77	1,202.84

In the opinion of management, trade receivable, Financial assets, Cash and cash equivalent, Balance with Bank, Loans and other financial assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet.

The Company has recognised provision for doubtful debts/expected loss for the year is ₹ 10.30 lakhs (Previous year ₹ 16.80 lakhs) on trade receivable.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(iii) Foreign currency risk

The Company operates internationally and the major portion of business is transacted in USD. The Company has Sales and Purchase in foreign currency. Consequently, the Company is exposed to foreign exchange risk.

Foreign exchange exposure is partially balanced by purchasing in goods, commodities and services in the respective currencies.

The company evaluate exchange rate exposure arising from foreign currency transactions and the company follows established risk management policies.

Foreign currency exposures not specifically covered by forward exchange contracts as at year end are as follows:

Particulars	Currency Type	As at 31 March 2020		As at 31 March 2019	
		₹ in Lakhs		₹ in Lakhs	
		Foreign currency	Equivalent Indian Rupees*	Foreign currency	Equivalent Indian Rupees*
Trade payables	USD	0.03	2.47	0.04	2.48
Trade payables	CAD	0.01	0.56	0.01	0.54
Trade payables	EURO	0.30	24.88	0.01	0.53
Advance to suppliers	USD	0.10	7.33	0.16	11.13
Advance to suppliers	RAND	-	-	0.34	1.70
Advance to suppliers	EURO	-	-	0.01	1.15
Trade receivables	USD	26.47	1,994.22	22.35	1,546.93
Trade receivables	EURO	2.65	219.69	3.20	248.83
Trade receivables	CAD	16.04	856.48	13.56	702.42

*as at year end exchange rates

Foreign currency sensitivity

1 % increase or decrease in foreign exchange rates will have the following impact on profit before tax

Particulars	As at 31 March 2020		As at 31 March 2019	
	₹ in Lakhs		₹ in Lakhs	
	1 % increase	1 % decrease	1 % increase	1 % decrease
Trade payables	(0.28)	0.28	(0.04)	(0.04)
Advance to suppliers	0.07	(0.07)	(0.14)	(0.14)
Trade receivables	30.70	(30.70)	(24.98)	(24.98)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(iv) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates

Company has interest rate risk exposure mainly from changes in rate of interest on borrowing & on deposit with bank. The interest rate are disclosed in the respective notes to the financial statement of the Company. The following table analyse the breakdown of the financial assets and liabilities by type of interest rate:

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Financial assets		
Interest bearing		
- fixed interest rate	45.00	47.14
Other bank balances	5,477.00	4,724.00
Non interest bearing		
Deposits	10.47	9.80
Cash and cash equivalents	642.61	378.51
Trade receivables	2,063.42	1,202.84
Financial Liabilities		
Interest bearing		
- floating interest rate	600.00	1,100.00
Non interest bearing		
Trade payables	1,327.18	1,257.27
Other financial liabilities	555.86	-

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the excluding the credit exposure for which interest rate swap has been taken and hence the interest rate is fixed. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Increase in basis points	50.00	50.00
Effect on profit before tax	3.00	5.50
Decrease in basis points	50.00	50.00
Effect on profit before tax	(3.00)	(5.50)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(iii) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt and overdraft from banks at an optimised cost.

The Company maximum exposure to credit risk for the components of the balance sheet at 31 March 2020 and 31 March 2019 is the carrying amounts. The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 90 days. The other payables are with short-term durations. The carrying amounts are assumed to be a reasonable approximation of fair value. The following table analysis financial liabilities by remaining contractual maturities:

(₹ in Lakhs)

Particulars	On demand	Less than 12 months	More 12 months	Total
Year ended 31 March 2020				
Borrowings	-	600.00	-	600.00
Other financial liabilities	-	108.11	615.70	723.81
Trade payables	-	1,327.18	-	1,327.18
	-	2,035.29	615.70	2,650.99
Year ended 31 March 2019				
Borrowings	-	1,100.79	-	1,100.79
Other financial liabilities	-	-	-	-
Trade payables	-	1,257.27	-	1,257.27
	-	2,358.06	-	2,358.06

At present, the Company does expects to repay all liabilities at their contractual maturity. In order to meet such cash commitments, the operating activity is expected to generate sufficient cash inflows.



40 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep optimum gearing ratio. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

Particulars	(₹ in Lakhs)	
	As at 31 March 2020	As at 31 March 2019
Borrowings	600.00	1,100.00
Trade payables	1,327.18	1,257.27
Other financial liabilities	61.62	-
Less: cash and cash equivalents	(642.61)	(378.51)
Net debt (a)	1,346.19	1,978.76
Total equity	10,014.27	8,687.34
Total member's capital (b)	10,014.27	8,687.34
Capital and net debt (c=a+b)	11,360.46	10,666.10
Gearing ratio (%) (d=c/a)	11.85%	18.55%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year and previous year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.



STOPAK INDIA PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

41 RELATED PARTY DISCLOSURE:

i Related parties

Names of related parties	Description of relationship
Signode Industrial Group Holdings (Bermuda) Ltd	Ultimate holding Company
Signode Netherlands BV (Formerly known as SPG Netherlands BV)	Holding Company
Signode India Ltd	Fellow subsidiary Company
Signode Industrial group SA Pty Ltd	Fellow subsidiary Company
Signode Systems Thailand Ltd.	Fellow subsidiary Company
Signode Korea Inc	Fellow subsidiary Company
Signode Industrial Group Mexico S. DE R.L.DE CV.	Fellow subsidiary Company
Signode Singapore Pte Ltd	Fellow subsidiary Company
Signode Packaging Group Malaysia Sdn Bhd.	Fellow subsidiary Company
Bates Cargo- PAK APS	Sister concern Company
Signode Netherland BV Formerly known as V.A.C BV/ Cader	Sister concern Company
Signode Korea Inc	Sister concern Company
Signode KK	Sister concern Company
Shippers Product	Sister concern Company
Shippers Europe	Sister concern Company
Mutiwall Pacakaging Corporation	Sister concern Company
Santosh C Tandon	Key Managerial personnel

Notes:

- The related party relationships have been determined on the basis of the requirements of the Indian Accounting Standard (IND AS) -24 "Related Party Disclosures" and the same have been relied upon by the auditors.
- The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the current year / previous year, except where control exist, in which case the relationships have been mentioned irrespective of transactions with the related party.



41 RELATED PARTY DISCLOSURE: CONTINUED

ii Disclosure of transactions between the Company and related party:

a During the year transactions

(₹ in Lakhs)

Particulars	Current Year 2019-20	Previous Year 2018-19
Sale of product		
Signode India Ltd	246.65	208.48
Signode Korea Inc	40.54	0.43
Shippers Product	734.39	847.17
Shippers Europe Sprl	0.11	0.07
Signode Industrial Group LLC	0.00	-
Signode Systems Thailand Ltd.	-	10.63
Bates Cargo- PAK APS	399.37	389.64
Signode Netherland BV Formerly known as V.A.C BV/Cader	96.04	0.56
Signode Packaglng Group Malaysia Sdn Bhd.	71.66	0.63
Signode Industrial Group Mexico S. DE R.L.DE CV.	0.15	-
Signode Singapore Pte Ltd	7.15	-
Purchases of materials		
Shippers Product	0.22	-
Bates Cargo-Pak ApS	82.92	0.53
Signode India Limited	4.81	2.61
Rent paid		
Signode India Limited	0.32	0.86
Multivall Pacakaging Corporation	-	3.38
Legal and professional charges		
Signode India Limited	-	1.08
Technical Consultancy		
Shippers Product	124.88	115.27
Consultancy charges		
Signode Industrial Group LLC	-	1.48
Signode India Limited	3.92	3.90
Transport Samples		
Bates Cargo-Pak ApS	0.32	-
Insurance charges		
Signode India Limited	4.61	-
Remuneration to key managerial personnel*		
Santosh Tandon	158.89	207.76

*The above figures do not include provision for compensated absences and gratuity payable to the directors, as the same are determined on an actuarial basis for the Company as a whole and separate figures for the directors are not available.



STOPAK INDIA PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

41 RELATED PARTY DISCLOSURE: CONTINUED

ii Disclosure of transactions between the Company and related party:

b Balance due/receivable as at year end

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Trade payables		
Shippers Product	28.34	23.20
Signode India Ltd	-	0.27
Bates Cargo-Pak ApS	24.88	0.52
Trade receivables		
Signode India Ltd	84.12	44.56
Shippers Product	153.56	127.95
Signode Korea Inc	21.84	-
Signode Packaging Group Malaysia Sdn Bhd.	20.69	-
Signode Industrial Group Mexico S. DE R.L.DE CV.	0.15	-
Signode Singapore Pte Ltd	7.43	-
Bates Cargo- PAK APS	114.87	83.02
Signode Netherland BV Formerly known as V.A.C BV/Cader	6.28	0.19



42 TAXATION

The major components of income tax expense for the years are:

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Current income tax:		
Current income tax charge	898.06	977.25
Adjustments in respect of previous year	(10.24)	-
Deferred tax:		
Relating to origination and reversal of temporary differences	(83.36)	4.83
Income tax expense reported in the statement of profit or loss	804.46	982.08

During the years ended 31 March 2020 and 31 March 2019 a current tax of ₹ 1.53 lakhs and credit of ₹ 4.04 lakhs respectively, have been recorded in other comprehensive income pertaining to remeasurement of defined benefit liability.

A Reconciliation of income tax provision to the amount computed by applying the statutory income tax rate to the income before Income taxes is summarized as follow:

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Profit before income tax	3,282.86	3,406.50
Rate of Income tax	25.17%	29.12%
Computed expected tax expenses	826.23	991.97
Tax effect due to non-deductible expenses	10.22	3.93
Tax rate differences	(17.85)	(11.28)
Less deduction on donation	(3.90)	(2.54)
Income tax expense reported in the statement of profit or loss	814.70	982.08

Applicable statutory tax rate for financial year 2019-20 is 25.168% (Previous year 2018-19: 29.12%)

The Gross movement in the current income tax Liability for the year ended 31 March 2020 and 31 March 2019 is as follows:

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Net current income tax liability at the beginning	(11.75)	(33.68)
Income tax paid	822.68	1001.13
Current tax expenses	(898.84)	(979.20)
Income tax refund received	(1.08)	-
Excess provision of earlier year reversed	10.24	-
Net current income tax liability at the end	(78.75)	(11.75)



43 EARNINGS PER SHARE

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Profit for the year attributable to the equity shareholders (₹ in Lakhs)	2,478.40	2,424.42
Weighted average number of equity shares for basic and diluted earning per share (Nos.)	558,012	558,012
Face value per share (in ₹)	1	1
Basic earning per share (in ₹)	444.15	434.47
Diluted earning per share (in ₹)	444.15	434.47

- 44 The Company is required to comply with certain transfer pricing regulations under Section 92 to Section 92F of the Act. The management is of the opinion that its international transactions are entered having regards to arms length price and that the aforesaid legislation will not have any adverse impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.
- 45 During the year ended 31 March 2018, the Company had written back certain amounts which were received as advance from customer, Stopak PTY Ltd aggregating to € 90,430/- and the balance outstanding in the books as on 31 March 2018 is ₹ 5,947,581/-. The company has approached RBI, seeking approval for the transfer of these amounts. The approval is yet to be received and the company, pending such approval, has written back these amounts of ₹ 5,947,581/- during the year ended 31 March 2018. The Management is of the view that the documentation shall be shared and the approval will be received in due course.
- 46 Balances in the accounts of trade receivables, loans and advances, trade payables and other current liabilities are subject to confirmation / reconciliation, if any. The management does not expect any material adjustment in respect of the same effecting the financial statements on such reconciliation / adjustments.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

47 During the previous year, the Company has changed the method of valuation of inventory from First-in-First-out (FIFO) to Weighted Average method. The impact on the profit for the year, reserves and surplus and inventories as at 31 March 2019, due to above deviation are not ascertained / quantified.

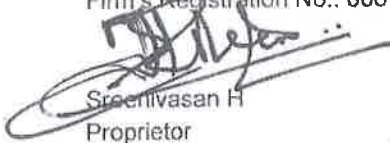
48 Estimation uncertainty relating to the global health pandemic on COVID-19

The Company has assessed the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Receivables, inventories, property, plant and equipment and other assets / liabilities. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources of Information. As on current date, the Company has concluded that the Impact of COVID - 19 is not material based on these estimates. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties in future periods, if any.

Signatures to Notes "1" to "48"

As per our report of even date attached

For H Sreenivasan & Co.
Chartered Accountants
Firm's Registration No.: 006115S


Sreenivasan H
Proprietor

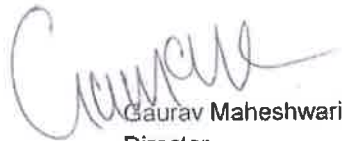
Membership No. 021168

Place: Bengaluru

Date: 23 SEP 2020



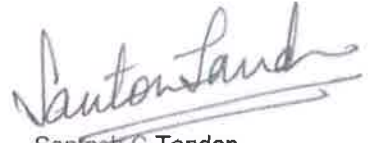
For and on behalf of the Board of Directors


Gaurav Maheshwari
Director

DIN:00085874

Place: Bengaluru

Date: 23 SEP 2020


Santosh C Tandon
Director

DIN: 07806047



CERTIFIED TRUE COPY

For Stopak India Private Limited



Director

Annexure 7

Supplementary Accounting Statement of Stopak India Private Limited for the period April 1, 2020 to November 30, 2020

STOPAK INDIA PRIVATE LIMITED
BALANCE SHEET AS AT 30 NOVEMBER 2020

(₹ in Lakhs)

Particulars	Note No.	As at 30 November 2020 (Unaudited)	As at 31 March 2020 (Audited)
I. ASSETS			
Non-current assets			
Property, plant and equipment	4	814.99	864.47
Right to use assets	5	494.88	543.73
Other intangible assets	6	566.99	639.67
Financial assets			
(i) Deposits	7	11.19	10.47
(ii) Other non-current financial assets	8	45.00	45.00
Other non-current assets	9	-	1.36
Total Non-current assets		1,933.05	2,104.70
Current assets			
Inventories	10	1,200.37	938.49
Financial assets			
(i) Trade receivables	11	2,233.30	2,063.42
(ii) Cash and cash equivalents	12	476.43	642.61
(iii) Bank balances other than cash and cash equivalents	13	7,272.00	5,477.00
(iv) Other financial assets	14	81.00	76.26
Other current assets	15	2,116.84	1,633.00
Total Current Assets		13,379.94	10,830.78
Total Assets		15,312.99	12,935.48
II. EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	16	5.58	5.58
b) Other equity		12,447.29	10,008.69
Total Equity		12,452.87	10,014.27
Non-current liabilities			
Financial Liabilities			
(i) Other non-current financial liabilities	17	446.67	494.24
Long term provisions	18	102.00	86.40
Deferred tax liabilities (Net)	19	103.92	46.67
Total non-current liabilities		652.59	627.31
Current liabilities			
Financial Liabilities			
(i) Short term borrowings	20	-	600.00
(ii) Trade payables	21		
Total outstanding dues of micro and small enterprises		290.64	216.84
Total outstanding dues of creditors other than micro and small enterprises		1,350.64	1,110.34
(iii) Other financial liabilities	22	69.01	61.62
Other current liabilities	23	47.99	134.05
Short term provisions	24	145.19	92.30
Current tax liabilities (net)	25	304.06	78.75
Total current liabilities		2,207.53	2,293.90
Total Liabilities		2,860.12	2,921.21
Total Equity and Liabilities		15,312.99	12,935.48

Significant accounting policies

2-3

The accompanying notes form an integral part of the financial statements

For and on behalf of the Board of Directors


Gaurav Maheshwari
Director
DIN:00085874


Santosh C Tandon
Director
DIN: 07806047

Place: Hyderabad
Date: 28/11/2020



STOPAK INDIA PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 30 NOVEMBER 2020

(₹ in Lakhs)

Particulars	Note No	For the Period 01-Apr-2020 to 30-Nov-2020 (Unaudited)	For the year ended 31 March 2020 (Audited)
Revenue			
Revenue from operations	26	8,217.36	10,937.29
Other income	27	183.15	965.62
Total Revenue (A)		8,400.51	11,902.91
Expenses			
Cost of materials consumed	28	3,397.68	4,784.58
Changes in inventories of finished goods and work in progress	29	(277.52)	308.80
Employee benefits expense	30	827.08	1,182.90
Finance costs	31	43.14	101.80
Depreciation and amortization expense	32	178.24	260.11
Other expenses	33	959.67	1,981.86
Total expenses (B)		5,128.29	8,620.05
Profit before tax (C=A-B)		3,272.22	3,282.86
Tax expense:	42		
Current tax		776.37	898.06
Prior year tax adjustment		-	(10.24)
Deferred tax		57.25	(83.36)
Total		833.62	804.46
Profit for the year		2,438.60	2,478.40
Other Comprehensive Income / (Loss)			
Items that will not be reclassified to profit or loss		-	(6.10)
Income tax relating to items that will not be reclassified to profit or loss		-	1.54
Total comprehensive income for the year ended, net of tax		2,438.60	2,473.84
Earnings per equity share (of ₹ 1 per share)			
(1) Basic	43	-	444.15
(2) Diluted		-	444.15

Significant accounting policies

2-3

The accompanying notes form an integral part of the financial statements

For and on behalf of the Board of Directors

Gaurav Maheshwari
Gaurav Maheshwari
Director
DIN:00085874

Santosh C Tandon
Santosh C Tandon
Director
DIN: 07806047

Place: Hyderabad

Date: 28th Dec 2020

STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 30 NOVEMBER 2020

(₹ in Lakhs)

Particulars	For the Period 01 Apr-2020 to 30- Nov- 2020 (Unaudited)	For the year ended 31 March 2020 (Audited)
A. Cash flow from/(used in) operating activities		
Profit before tax	3,272.22	3,282.86
Adjustment for:		
Unwinding interest	(0.69)	(0.67)
Interest expense	43.14	101.80
Interest income on deposits	(231.67)	(350.84)
Depreciation and amortization	178.24	260.11
Unrealised exchange loss	-	-
Provision for doubtful debts	-	(6.50)
Loss/ (Profit) from sale of Property, plant and equipment	-	-
Movement in working capital:		
(Increase)/decrease in trade receivables	(169.88)	(854.08)
(Increase)/decrease in trade payable and other financial liabilities	314.10	69.91
(Increase)/decrease in other assets	(482.48)	497.61
Increase/(decrease) in other liabilities and provisions	(17.57)	2.81
Increase/(decrease) in inventories	(261.87)	348.75
Cash generated from operations	2,643.54	3,351.76
Income tax paid	(551.07)	(821.58)
Cash generated from operations (A)	2,092.47	2,530.18
B. Cash flow from/(used) investing activities		
Purchase of Property, plant and equipment (including capital work in progress) and capital advances	(7.26)	(43.28)
Purchase of other intangibles assets	-	-
Interest received	226.93	327.06
Proceeds from sale of Property, plant and equipment	-	1.24
(Increase)/decrease in fixed deposit with bank	(1,795.00)	(750.86)
Cash (used) in investing activities (B)	(1,575.33)	(465.84)
C. Cash flow from/(used in) financing activities		
Proceed/(repayment) of borrowings (net)	(600.00)	(500.00)
Dividend paid (including dividend distribution tax)	-	(1,146.91)
Payment towards lease liabilities	(71.77)	(102.96)
Interest paid	(11.55)	(50.38)
Cash (used) in/generated from financing activities (C)	(683.32)	(1,800.25)
Net increase in cash and cash equivalents (A+B+C)	(166.18)	264.10
Cash and cash equivalents at the beginning of the year	642.61	378.51
Cash and cash equivalents at the end of the year	476.43	642.61
Components of cash and cash equivalents		
Cash on hand	4.21	0.04
Balances with banks in current accounts	472.22	642.57
Balances with banks in deposit with original maturity of less than 3 months	-	-
Total cash and bank balances (Refer note 12)	476.43	642.61

Significant accounting policies

2-3

The accompanying notes form an integral part of the financial statements

For and on behalf of the Board of Directors



Gaurav Maheshwari
Director
DIN:00085874



Santosh C Tandon
Director
DIN: 07806047

Place: Hyderabad
Date: 28th Dec 2020



STOPAK INDIA PRIVATE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR PERIOD ENDED 30 NOVEMBER 2020

A Equity (₹ in Lakhs)

Particulars	Amount
Balance as at 01 April 2019	5.58
Changes in equity share capital during the year	-
Balance as at 31 March 2020	5.58
Changes in equity share capital during the year	-
Balance as at 30 November 2020	5.58

B Other Equity (₹ in Lakhs)

Particulars	Reserves and Surplus		
	Securities Premium	Retained Earnings	Total
Balance as at 01 April 2019	1,049.44	7,632.32	8,681.76
Profit for the year	-	2,478.40	2,478.40
Other Comprehensive Income for the year, net of tax	-	(4.56)	(4.56)
Dividend paid (including dividend tax)	-	(1,146.91)	(1,146.91)
Balance at 31 March 2020	1,049.44	8,959.25	10,008.69
Profit for the year	-	2,438.60	2,438.60
Other Comprehensive Income for the year, net of tax	-	-	-
Balance at 30 November 2020	1,049.44	11,397.85	12,447.29

Significant accounting policies

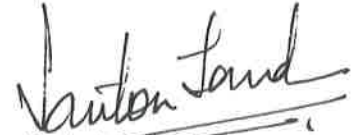
2-3

The accompanying notes form an integral part of the financial statements

For and on behalf of the Board of Directors



Gaurav Maheshwari
Director
DIN:00085874



Santosh Chandon
Director
DIN: 07806047

Place: Hyderabad
Date: 28th Dec 2020



STOPAK INDIA PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 NOVEMBER 2020

4 PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Tangible Assets								Total	
	Furniture and fixtures	Office equipment	Plant and Equipment	Computer Equipment	Leasehold premises	Vehicle				
Gross block										
As at 01 April 2019	19.81	12.25	1,072.57	18.23	39.70	12.43				1,174.98
Additions	-	4.90	33.98	-	4.40	-				43.28
Deductions	-	-	-	-	-	(12.43)				(12.43)
As at 31 March 2020	19.81	17.15	1,106.55	18.23	44.10	-				1,205.83
Additions	1.54		1.65	4.06						7.26
Deductions										-
As at 30 November 2020	21.35	17.15	1,108.20	22.29	44.10	-				1,213.09
Depreciation										
As at 01 April 2019	7.81	8.43	223.08	14.37	5.44	11.19				270.31
Charge for the year	2.16	0.86	73.36	1.59	4.27	-				82.24
Deductions	-	-	-	-	-	(11.19)				(11.19)
As at 31 March 2020	9.97	9.29	296.44	15.96	9.71	-				341.37
Charge for the year	1.54	1.18	49.55	1.40	3.05	-				56.72
Deductions										-
As at 30 November 2020	11.51	10.48	346.00	17.36	12.75	-				398.10
Net block										
As at 31 March 2020	9.84	7.86	810.11	2.27	34.39	-				864.47
As at 30 November 2020	9.84	6.67	762.20	4.93	31.34	-				814.99




5 RIGHT TO USE ASSETS

(₹ in Lakhs)

Particulars	Category of Right to use Assets	
	Factory building	Total
Gross block		
As at 1 April 2019	-	-
Initial recognition under IND AS 116 *	612.59	612.59
Additions	-	-
Deductions	-	-
As at 31 March 2020	612.59	612.59
Additions	-	-
Deductions	-	-
As at 30 November 2020	612.59	612.59
Depreciation		
As at 1 April 2019	-	-
Charge for the year	68.86	68.86
Deductions	-	-
As at 31 March 2020	68.86	68.86
Charge for the year	48.85	48.85
Deductions	-	-
As at 30 November 2020	117.71	117.71
Net block		
As at 31 March 2020	543.73	543.73
As at 30 November 2020	494.88	494.88

*Effective 01 April 2019, the Company adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on 01 April 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the ROU asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended 31 March 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of the financial for year ended 31 March 2019.

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

6 OTHER INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Intangible Assets		
	Computer Software	Patent and Trademark	Total
Gross block			
As at 1 April 2018	36.40	1,018.30	1,054.70
Additions	1.64	-	1.64
Deductions	-	-	-
As at 1 April 2019	38.04	1,018.30	1,056.34
Additions	-	-	-
Deductions	-	-	-
As at 31 March 2020	38.04	1,018.30	1,056.34
Additions	-	-	-
Deductions	-	-	-
As at 30 November 2020	38.04	1,018.30	1,056.34
Depreciation/Amortization			
As at 1 April 2018	14.03	186.64	200.67
Charge for the year	5.16	101.83	106.99
As at 1 April 2019	19.19	288.47	307.66
Charge for the year	6.94	102.07	109.01
Deductions	-	-	-
As at 31 March 2020	26.13	390.54	416.68
Charge for the year	4.62	68.05	72.67
Deductions	-	-	-
As at 30 November 2020	30.75	458.59	489.36
Net block			
As at 31 March 2019	18.84	729.83	748.67
As at 31 March 2020	11.91	627.76	639.67
As at 30 November 2020	7.28	559.71	566.99

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7 DEPOSITS

(Unsecured, considered good)

(₹ in Lakhs)

Particulars	As at 30 November 2020	As at 31 March 2020
Financial assets at Amortised Cost Security deposits	11.19	10.47
Total	11.19	10.47

8 OTHER NON-CURRENT FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 30 November 2020	As at 31 March 2020
Fixed deposits with banks*	45.00	45.00
Accrued interest	-	-
Total	45.00	45.00

* Under lien with banks for issuance of bank guarantee.

9 OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 30 November 2020	As at 31 March 2020
Prepaid expenses	-	0.45
Capital advance	-	0.91
Total	-	1.36

10 INVENTORIES

(At lower of cost or Net Realisable Value)

(₹ in Lakhs)

Particulars	As at 30 November 2020	As at 31 March 2020
Raw Materials and components	306.51	322.14
Work-in-progress	5.80	3.91
Finished goods*	888.07	612.44
Total	1,200.37	938.49

*Finished goods includes goods-in transit of ₹ Nil /- Lakhs (as at 31 March 2020: ₹ 407.85 Lakhs)



11 TRADE RECEIVABLES

Particulars	(₹ in Lakhs)	
	As at 30 November 2020	As at 31 March 2020
Trade Receivables:		
Unsecured, considered good	2,233.30	2,063.42
Unsecured, credit impaired	7.32	10.30
	2,240.62	2,073.72
Less: Provision for expected credit loss	(7.32)	(10.30)
Total	2,233.30	2,063.42

Note:

The Company estimates the allowance for uncollectible accounts based on the greater of a specific reserve and a reserve calculated based on the historical write-off percentage over the last two years. In addition, the allowance for uncollectible accounts includes reserves for customer credits and cash discounts, which are also estimated based on past experience.

Reconciliation of provision for expected credit loss:

Particulars	(₹ in Lakhs)	
	As at 30 November 2020	As at 31 March 2020
Balance at the beginning of the year	10.30	16.80
Add: Provision for expected credit loss recognised during the year	-	6.16
Less: Provision reversed during the year	-2.98	(12.66)
Balance at the end of the year	7.32	10.30



12 CASH AND CASH EQUIVALENTS

Particulars	(₹ in Lakhs)	
	As at 30 November 2020	As at 31 March 2020
Cash on hand	4.21	0.04
Balances with banks:		
In current account	472.22	642.57
In fixed deposits (with original maturity within 3 months)		-
Total	476.43	642.61

13 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	(₹ in Lakhs)	
	As at 30 November 2020	As at 31 March 2020
Term deposit with banks		
Deposits with original maturity of more than three months but less than twelve months	7,272.00	5,477.00
Deposits with original maturity of more than twelve months	45.00	45.00
	7,317.00	5,522.00
Less: Term Deposit with Bank maturing after 12 months from the balance sheet date classified as Non-Current Financial Asset (Refer Note 8)	45.00	45.00
Total	7,272.00	5,477.00

14 OTHER CURRENT FINANCIAL ASSETS

Particulars	(₹ in Lakhs)	
	As at 30 November 2020	As at 31 March 2020
Interest accrued on term deposits	81.00	76.26
Total	81.00	76.26

15 OTHER CURRENT ASSETS

Particulars	(₹ in Lakhs)	
	As at 30 November 2020	As at 31 March 2020
(Unsecured, considered good)		
Advances to suppliers	0.82	9.06
Deferred lease rental	-	-
Balances with government authorities	1,861.84	1,463.64
Prepaid expenses	254.18	160.30
Total (a)	2,116.84	1,633.00
(Unsecured, credit impaired)		
Balances with government authorities	-	250.75
Less: Provision for expected credit loss		(250.75)
Total (b)	-	-
Total (a+b)	2,116.84	1,633.00



16 EQUITY

A) Equity

(₹ in Lakhs)

Particulars	As at 30 November 2020	As at 31 March 2020
EQUITY SHARE CAPITAL		
Authorised:		
5,000,000 equity shares of ₹ 1/- each	50.00	50.00
	50.00	50.00
Equity shares		
Issued, Subscribed and Paid Up:		
558,012 (as at 31 March 2019: 558,012) Equity Shares of ₹ 1/- each fully paid up.	5.58	5.58
Total Equity	5.58	5.58

i) Terms / rights attached to each class of shares

The Company has only one class of equity shares having a par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. The Company normally declares and pays dividends in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. During the year ended 31 March 2020, on account of the interim dividend for financial year ended 31 March 2020 the Company has incurred a net cash outflow of ₹ 1,146.91 lakhs inclusive of dividend distribution tax.

ii) There has been no movement in number of issued, subscribed and paid up equity shares during the current year and previous year.

iii) Details of shareholders holding more than 5 percent shares

Name of Shareholder	As at 30 November 2020		As at 31 March 2020	
	Number	%	Number	%
Equity shares of ₹ 1 each fully paid up				
SPG Netherlands BV	3,87,500	69.44%	3,87,500	69.44%
Signode India Ltd	1,70,512	30.56%	1,70,512	30.56%

iv) Details of shares held by the holding company

Name of Shareholder	As at 30 November 2020		As at 31 March 2020	
	Number	%	Number	%
SPG Netherlands BV (the holding Company)	3,87,500	69.44%	3,87,500	69.44%

v) The Company has not issued any bonus shares nor there has been any buy back of shares during five years immediately preceding 31 March 2020



16 EQUITY

B) Other Equity

(₹ in Lakhs)

Particulars	As at 30 November 2020	As at 31 March 2020
Securities premium		
Opening balance	1,049.44	1,049.44
Add: addition during the year	-	-
Total (a)	1,049.44	1,049.44
Surplus in statement of profit and loss		
Opening balance	8,959.25	7,632.32
Add: profit during the year	2,438.60	2,478.40
Add: Other comprehensive income for the year, net of tax	-	(4.56)
Less: Dividend paid (including dividend distribution tax)	-	(1,146.91)
Total (b)	11,397.85	8,959.25
Total (a+b)	12,447.29	10,008.69

17 OTHER NON-CURRENT FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 30 November 2020	As at 31 March 2020
Operating lease liabilities	446.67	494.24
Total	446.67	494.24

(i) The movement in lease liabilities during the year ended 31 March 2020 is as follows:

(₹ in Lakhs)

Particulars	As at 30 November 2020	As at 31 March 2020
Balance at the beginning of the year	555.86	-
Additions	-	607.40
Finance cost accrued during the year	31.59	51.42
Payment of lease liabilities	(71.77)	(102.96)
Balance at the end of the year	515.68	555.86
Current lease liabilities	69.01	61.62
Non-current lease liabilities	446.67	494.24

(ii) The details of the contractual maturities of lease liabilities as at 31 March 2020 on an undiscounted basis are as follows:

(₹ in Lakhs)

Particulars	As at 30 November 2020	As at 31 March 2020
Less than one year	108.11	108.11
One to five years	502.19	489.75
More than five years	-	125.95
Total	610.30	723.81

(iii) The weighted average incremental borrowing rate applied to lease liabilities is 8.80%.

(iv) For the year ended 31 March 2019, the amount of minimum lease payments with respect to the above lease recognised in the profit and loss statement for the year is ₹ 99.61 lakhs.




18 LONG TERM PROVISIONS

Particulars	(₹ in Lakhs)	
	As at 30 November 2020	As at 31 March 2020
Provision for employee benefits		
Provision for Gratuity (Refer note 35)	63.15	51.30
Provision for leave encashment	38.84	35.10
Total	102.00	86.40

19 DEFERRED TAX LIABILITIES (NET)

Particulars	(₹ in Lakhs)	
	As at 30 November 2020	As at 31 March 2020
Deferred Tax Liabilities*		
Tax effect of items constituting deferred tax liability on Depreciation	145.30	148.97
Total (a)	145.30	148.97
Deferred Tax Assets*		
Tax effect of items constituting deferred tax assets on		
Disallowance u/s 43B of the Income Tax Act	32.34	24.15
Provision for expected credit loss	2.59	65.70
Disallowance u/s 40a(i) of the Income tax Act	-	8.19
Lease payments	6.44	4.26
Total (b)	41.38	102.30
Total (a-b)	103.92	46.67

*The tax impact for the above purpose has been arrived at by applying the tax rate of 25.168% (As at 31 March 2019: 29.12%) being the prevailing tax rate for Indian companies under the Income Tax Act, 1961.

a Movement in the deferred tax assets/(liabilities)

Particulars	(₹ in Lakhs)			
	Property, plant and equipment	Provision for expected credit loss	Disallowance under income tax act	Lease payments
Opening balance as at 01 April 2018	(173.16)	4.27	46.20	-
(Charged)/credited:				
- to profit or loss	7.28	0.62	(12.74)	-
- to other comprehensive income	-		(4.04)	-
Closing balance as at 31 March 2019	(165.88)	4.89	29.42	-
Opening balance as at 01 April 2019	(165.88)	4.89	29.42	-
(Charged)/credited:				
- to profit or loss	16.91	60.81	1.38	4.26
- to other comprehensive income	-		1.54	-
Closing balance as at 31 March 2020	(148.97)	65.70	32.34	4.26
Opening balance as at 01 April 2020	(148.97)	65.70	32.34	4
(Charged)/credited:				
- to profit or loss	-			-
- to other comprehensive income	-			-
Closing balance as at 30 November 2020	(148.97)	65.70	32.34	4.26



20 SHORT TERM BORROWINGS

Particulars	(₹ in Lakhs)	
	As at 30 November 2020	As at 31 March 2020
Financial Liabilities at amortised cost		
Secured		
Foreign currency loans from banks:		
Pre-shipment credit finance (refer note 20.1 below)		600.00
Total	-	600.00

20.1 Packing credit/Cash credit facility from Citi Bank Ltd as at 31 March 2020 of ₹ 600.00 Lakhs (31 March 2019: ₹ 1,100.00 Lakhs), is secured by hypothecation of present and future stocks, book debts and plant and machinery on pari-passu basis. The rate of interest on the loan is ranging from LIBOR +spread (1%). The loan is repayable within 0 days to 120 days from the date of sanction.

20.2 Net debt reconciliation

Particulars	(₹ in Lakhs)	
	As at 30 November 2020	As at 31 March 2020
Balance as at 31 March 2018	934.86	934.86
Cash flow (net)	133.19	133.19
Interest expense	31.95	31.95
Balance as at 31 March 2019	1,100.00	1,100.00
Cash flow (net)	(528.73)	(528.73)
Interest expense	28.73	28.73
Balance as at 31 March 2020	600.00	600.00
Cash flow (net)		(528.73)
Interest expense		28.73
Balance as at 30 November 2020	600.00	100.00



21 TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 30 November 2020	As at 31 March 2020
Financial Liabilities at amortised cost		
Total outstanding dues of micro and small enterprises (refer note a below)	290.64	216.84
Total outstanding dues of creditors other than micro and small enterprises*	1,350.64	1,110.34
Total	1,641.28	1,327.18

*Includes dues to related parties of ₹ 53.22 lakhs (previous year: ₹ 23.99 Lakhs)

- a) Details of amount outstanding to Micro and Small enterprises based on available information with the Company is as follows:

(₹ in Lakhs)

Particulars	As at 30 November 2020	As at 31 March 2020
Principal amount due and remaining unpaid		
On account of Raw Materials		216.84
On account of capital goods		-
Interest paid on all delayed payments under the MSMED Act		-
Amount of payment made beyond the appointed day during the year		-
Interest due and payable for the period of delay other than (3) above		-
Interest accrued and remaining unpaid		-
Amount of further interest remaining due and payable in succeeding years		-

This information has been determined to the extent the Company have received intimation from the suppliers regarding their status under the Act.

22 OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 30 November 2020	As at 31 March 2020
Operating lease liabilities (refer note 17)	69.01	61.62
Total	69.01	61.62

23 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 30 November 2020	As at 31 March 2020
Statutory dues	16.11	39.10
Employee benefits payable	31.88	94.95
Total	47.99	134.05



24 SHORT TERM PROVISIONS

Particulars	(₹ in Lakhs)	
	As at 30 November 2020	As at 31 March 2020
Provision for employee benefits		
Provision for bonus	110.19	82.73
Provision for leave encashment (unfunded)		9.57
Provision for corporate social responsibility	35.00	
Total	145.19	92.30

25 CURRENT TAX LIABILITIES (NET)

Particulars	(₹ in Lakhs)	
	As at 30 November 2020	As at 31 March 2020
Current tax liabilities		
Provision for tax	377.41	141.03
Current tax assets		
Advance tax and Tax deducted at source	(73.35)	(62.28)
Total	304.06	78.75



26 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the Period 01-Apr-2020 to 30-Nov- 2020	For the year ended 31 March 2020
Sale of products	8,217.36	10,937.29
Total	8,217.36	10,937.29

i Impact on adoption of Ind AS 115:

The Company applied Ind AS 115 for the first time by using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the cumulative effect of initially applying Ind AS 115 is recognised as an adjustment to the opening balance of retained earnings as at 1 April 2018. Comparative prior period has not been adjusted.

The adoption of the new standard did not have a material impact as at 1 April 2018 for the revenue contracts that are not completed as at that date.

ii Reconciliation of revenue recognised with contract price

The Company invoices its customers at an agreed price as per the sales order received by the Company. Accordingly, there are no differences between the agreed contract price and the amount revenue recognized by the Company.

iii Disaggregation of revenue from contracts with customers

Refer Note 36 for disaggregated revenue information.

iv Assets and liabilities in relation to contracts with customers

(₹ in Lakhs)

Particulars	For the Period 01-Apr-2020 to 30-Nov- 2020	For the year ended 31 March 2020
Assets		
Trade receivables	2,233.30	2,063.42
Total	2,233.30	2,063.42

27 OTHER INCOME

(₹ in Lakhs)

Particulars	For the Period 01-Apr-2020 to 30-Nov- 2020 (Unaudited)	For the year ended 31 March 2020
Interest income	231.67	350.84
Foreign exchange gain (net)	113.65	340.48
Export incentives	-164.23	258.25
Other income	2.05	6.55
Sundry balance no longer payable write back		3.00
Reversal of provision for doubtful debts		6.50
Total	183.15	965.62



28 COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	For the Period 01-Apr-2020 to 30-Nov- 2020	For the year ended 31 March 2020
Opening stock	322.14	362.08
Add: Purchases	3,382.05	4,744.64
	3,704.19	5,106.72
Less: Closing stock	306.51	322.14
Total	3,397.68	4,784.58

29 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	For the Period 01-Apr-2020 to 30-Nov- 2020	For the year ended 31 March 2020
Inventory at the beginning of the year		
Work-in-progress	3.91	7.56
Finished goods (including goods-in-transit)	612.44	917.60
Total (a)	616.35	925.16
Inventory at the end of the year		
Work-in-progress	5.80	3.91
Finished goods (including goods-in-transit)	888.07	612.44
Total (b)	893.87	616.36
Change in inventories (a-b)	(277.52)	308.80

30 EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	For the Period 01-Apr-2020 to 30-Nov- 2020	For the year ended 31 March 2020
Salaries, wages and incentives	805.96	1,111.04
Contribution to provident and other funds	-	22.38
Gratuity expenses	-	24.70
Staff welfare expenses	21.12	24.78
Total	827.08	1,182.90

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31 FINANCE COSTS

(₹ in Lakhs)

Particulars	For the Period 01-Apr-2020 to 30-Nov- 2020	For the year ended 31 March 2020
Interest on borrowings	2.29	28.73
Interest on delayed payment of statutory dues	0.02	14.00
Other finance cost	9.24	6.87
Interest on shortfall of advance tax	-	0.78
Interest on lease expenses	31.59	51.42
Total	43.14	101.80

32 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lakhs)

Particulars	For the Period 01-Apr-2020 to 30-Nov- 2020	For the year ended 31 March 2020
Depreciation on property, plant and equipment (refer note 4)	56.72	82.24
Depreciation on right to use assets (refer note 5)	48.85	68.86
Amortisation on intangible assets (refer note 6)	72.67	109.01
Total	178.24	260.11

33 OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the Period 01-Apr-2020 to 30-Nov- 2020	For the year ended 31 March 2020
Rent	4.27	8.05
Repairs and maintenance		
- Plant and machinery	25.72	45.79
- Others	3.56	8.38
Power and fuel	21.70	43.13
Printing and stationery	1.47	2.98
Security charges	10.93	16.56
Communication expenses	7.07	5.83
Legal and professional charges	38.49	242.11
Advertising & business promotion	0.50	0.30
Product research expenses	-	21.63
Travelling and conveyance expenses	-0.15	70.68
Insurance	14.64	17.25
Payments to auditors:		
Statutory audit	4.00	4.00
Tax audit	1.60	1.60
other services	0.89	3.27
Customs clearance charges	664.37	970.04
Sales commission	3.70	7.15
Transport charges	16.78	40.00
Technical consultancy services	76.72	124.19
Rates and taxes	3.49	26.00
Provision for expected credit loss on others assets	-8.26	250.75
Bank charges	7.16	11.47
Corporate social responsibility expenditure (refer note 37)	40.00	31.00
Miscellaneous expenses	21.02	29.70
Total	959.67	1,981.86



Annexure 8

Report adopted by the Board of Directors of Stopak India Private Limited as required under Section 232(2)(c) of the Companies Act, 2013

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF STOPAK INDIA PRIVATE LIMITED EXPLAINING EFFECT OF THE SCHEME ON SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS, LAYING OUT IN PARTICULAR THE SHARE EXCHANGE RATIO

The proposed Scheme of Amalgamation under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 for the amalgamation of Stopak India Private Limited (“**Transferor Company**” or “**Company**”) with Signode India Limited (“**Transferee Company**”) and their respective shareholders and creditors (“**Scheme**”) was approved by the Board of Directors (“**Board**”) vide its board resolution dated December 28, 2020.

As per Section 232(2)(c) of the Companies Act, 2013, a report adopted by the directors explaining effect of compromise on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders laying out in particular the share exchange ratio, is required to be circulated along with the notice convening the meeting.

Having regard to the aforesaid provision, following was discussed by the Board:

1. The valuation report is not required as the Scheme is between a holding company that is Signode India Limited and its wholly owned subsidiary that is Stopak India Private Limited, therefore question of share exchange ratio does not arise.
2. There will be no adverse effect of the said Scheme on the shareholders, key managerial personnel, promoter and non-promoter shareholders of the Company.

CERTIFIED TRUE COPY

For STOPAK INDIA PRIVATE LIMITED

Sd/-

Gaurav Maheshwari

Director

Place: Hyderabad

Proxy Form

CIN: U74950TG2003PLC091521

Name of the Company: Signode India Limited

Registered office: 3rd Floor, Jyothi Majestic, 8-2-120/84,
Road No. 2, Banjara Hills, Hyderabad – 500034, Telangana

Name of the Unsecured Trade Creditor:

Address:

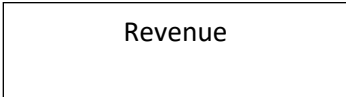
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I/ We, being the Unsecured Trade Creditor of Signode India Limited, being the Transferee Company above named, do hereby appoint

- a. Name:
Address:
E-mail Id:
Signature:, or failing him/her
- b. Name:
Address:
E-mail Id:
Signature:

as my/our proxy to act for me/us at the meeting of the Unsecured Trade Creditor of the Company, to be held through Video Conferencing (“VC”) or Other Audio-Visual Means (“OAVM”) on Monday, 30th August, 2021 at 4:00 P.M. (IST), and at any adjournment thereof in respect of such resolution as indicated below:

Resolution No.1 Approval of Scheme of Amalgamation



Signed this day of 2021

.....
Signature of Unsecured Trade Creditor(s)

.....
Signature of Proxy Holder(s)

Notes:

1. The Proxy form must be deposited at the registered office of the Company not later than 48 (Forty Eight) hours before the scheduled time of the commencement of the said meeting.
2. If you are a body corporate, as the Unsecured Trade Creditor, a copy of the resolution of the Board of Directors or the Governing Body authorizing such a person to act as its representative/ proxy at the meeting and certified to be a true copy by a director, the manager, the secretary or any other authorized officer of such body corporate should be lodged with the Company at its registered office not later than 48 (Forty Eight) hours before the Meeting.
3. All alterations made in the Proxy Form must be initialled.
4. Please affix revenue stamp before putting signatures.
5. In case of multiple proxies, the proxy later in time shall be accepted.
6. Proxy need not be Unsecured Trade Creditor of Signode India Limited.
7. No person shall be appointed as Proxy who is a minor.