

**SCHEME OF AMALGAMATION UNDER SECTIONS 230 TO 234 OF THE
COMPANIES ACT, 2013**

**OF
SHETRON METROPAK PRIVATE LIMITED
(the "Transferor Company")
WITH
SHETRON LIMITED (the "Transferee Company")**

GENERAL

1. PRELIMINARY:

"THE ACT" means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force.

A "THE EFFECTIVE DATE" means the day on which the certified copy of the order of the National Company Law Tribunal (NCLT) as the case may be, confirming this Scheme is filed with the Registrar of Companies, Karnataka at Bangalore.

B "SHAREHOLDERS" means respectively the persons registered as holders of Equity Shares of the Company concerned.

C "TRANSFER DATE" means the commencement of business on 01.04.2017 or such other date as NCLT, as the case may be, may direct/fix.

D "TRANSFEREE COMPANY" means "SHETRON LIMITED", a Company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at ... Plot No 1, Bommasandra Industrial Area, Hosur Main Road, Bangalore- 560 099.

E "TRANSFEROR COMPANY" means "Shetron Metropak Private Limited", a company incorporated under the provisions of The Companies Act, 1956 and having its Registered Office at Plot No 1, Bommasandra Industrial Area, Hosur Main Road, Bangalore- 560 099.

F "THE UNDERTAKING" means:

- (a) All the assets and properties of the Transferor Company as on the Transfer Date (hereinafter referred to as "the said assets");

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For Shetron Metropak Pvt. Ltd.


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- (b) All the debts, liabilities, duties and obligations of the Transferor Company as on the Transfer Date (herein after referred to as "the said liabilities");
- (c) Without prejudice to the generality sub-clause (a) above, the Undertaking of the Transferor Company shall include all the Transferor Company's reserves and the authorised share capital, movable and immovable properties including investments, claims, powers, authorities, allotments, approvals, consents, registrations, contracts, engagements, arrangements, rights, credits, titles, interests, benefits, club memberships, advantages, leasehold rights, tenancy rights, other intangibles, industrial and other licences, permits, authorizations, quota rights, trade marks, patents and other industrial and intellectual properties including domain names, import quotas, telephone, telex, facsimile and other communication facilities and equipments, rights and benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals of whatsoever nature and wheresoever situate, belonging to or in the ownership, power or possession or control of the Transferor Company as on the Transfer Date and thereafter.
- G. "THE SCHEME" means this Scheme of Amalgamation in its present form or with any modification(s) approved or imposed or directed by NCLT as the case may be.
- H. Other expressions used in this Scheme and not expressly defined herein shall carry the same meaning as is given to them in the Act.

2. RATIONALE FOR THE SCHEME

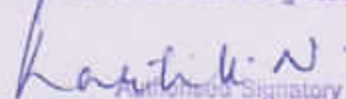
The amalgamation of the Transferor Company with the Transferee Company would inter alia have the following benefits:

- a. The Transferor Company is a Wholly Owned Subsidiary of the Transferee Company and carries on activities which are synergic to the main objects of the Transferee Company.
- b. Combined entity generates immense benefits of larger scale of economies and combined entity will have powers to negotiate with vendors, customers and other stakeholders.

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- c. Stronger financial strength for the amalgamated entity, which would result in optimizing the leverage with respect to debt and equity.
- d. Greater efficiency in cash management of the amalgamated entity.
- e. Combined entity will optimize and reduce duplication of a host of tax, compliances, statutory issues and regulatory requirements.
- f. Cost savings are expected to be advantageous.
- g. Overall, the amalgamation will lead to the formation of a larger and stronger entity having greater capacity for conducting its operations more efficiently and competitively.

In view of the aforesaid, after due review by the Audit Committee of the Transferee Company, the Boards of Directors of both the companies have considered and proposed the amalgamation of the entire undertaking and business of Transferor Company with the Transferee in order to benefit the stakeholders of both the Companies. Accordingly, the Boards of Directors of both the companies have formulated this Scheme of Amalgamation for the transfer and vesting of the entire undertaking and business of the Transferor with and into the Transferee pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the Act.

3. SHARE CAPITAL:

- (I) The Authorized, Issued, Subscribed, Paid up Share Capital of the TRANSFEREE COMPANY as on 31.03.2017 are as stated below:

In Rupees

Authorized:	
2,50,00,000 Equity Shares of Rs. 10/-	25,00,00,000
Issued, Subscribed and Paid up:	
89,99,800 Equity Shares of Rs. 10/-	8,99,98,000


Issued, Subscribed and Paid up:

- (II) The Authorized, Issued, Subscribed and Paid up Share Capital of the TRANSFEROR COMPANY as on 31.03.2017 are as stated below:

In Rupees

Authorized:	
50,00,000 Equity Shares of Rs. 10/-	5,00,00,000
Issued, Subscribed and Paid up:	
38,90,000 Equity Shares of Rs. 10/-	3,89,00,000

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S C H E M E

1. With effect from the Transfer Date, all the assets, properties, rights, interests and claims whatsoever of the TRANSFEROR COMPANY and its entire undertaking, authorities, privileges, licences and rights (including leasehold rights) in respect of property moveable, immovable, tenancies, intellectual property rights, fittings and fixtures, power connections, telephones, telex, fax, cash balances, reserves, securities, deposits, refunds, outstanding balances, stocks, investments, licences including all the benefits and entitlements upto the effective date accrued or earned good will and other rights and interests of all descriptions in or arising out of such properties as may belong to or be in possession of the TRANSFEROR COMPANY and all books and accounts, and documents and records relating thereto shall, without further act or deed pursuant to Section 232 be transferred to, and vest in the TRANSFEREE COMPANY with effect from the TRANSFER DATE, so as to become the assets, properties, rights, interests and claims of the TRANSFEREE COMPANY but subject nevertheless to all charges or encumbrances then affecting the same.

2. All the liabilities, debts, duties and obligations of the TRANSFEROR COMPANY shall also stand transferred to the TRANSFEREE COMPANY, with effect from the TRANSFER DATE without any further act or deed pursuant to Section 232 of the Companies Act, 2013 so as to become the liabilities, debts, duties and obligations, dues of the TRANSFEREE COMPANY.

3. All long term, medium term, short terms loans and other loans secured and unsecured, owed by TRANSFEROR COMPANY to Banks and other persons shall become the liabilities of the TRANSFEREE COMPANY and shall be discharged by the TRANSFEREE COMPANY in the same manner and on the same terms and conditions as are applicable to the TRANSFEROR COMPANY.

4. Upon the Scheme being sanctioned by the NCLT, as the case may be, at Bangalore and the certified copy of the Order filed with the Registrar of Companies, Karnataka at Bangalore, all legal proceedings then pending by or against the TRANSFEROR COMPANY shall thereafter be continued by or against the TRANSFEREE COMPANY.

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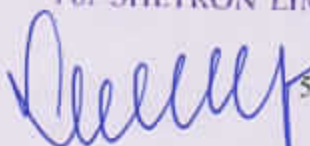

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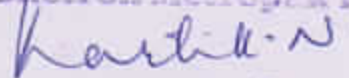
5. On and after the TRANSFER DATE the transfer and vesting of the assets, rights, powers and properties, liabilities, obligations, duties under Clauses 1, 2 and 3 hereof and the continuance of the proceedings initiated by or against the TRANSFEROR COMPANY in the ordinary course of business shall be to the end intent that the TRANSFEREE COMPANY accepts all acts, deeds and things done and executed by the TRANSFEROR COMPANY as of the TRANSFER DATE.
6. a) On and with effect from the TRANSFER DATE, the TRANSFEROR COMPANY shall be deemed to have been carrying on its business and activities for and on account of the TRANSFEREE COMPANY until the EFFECTIVE DATE as defined in Clause A of PRELIMINARY section above. Income or Profit accruing or Losses incurred by the TRANSFEROR COMPANY from and after the TRANSFER DATE upto the EFFECTIVE DATE shall for all purposes be treated as Income, Profits or losses as the case may be of the TRANSFEREE COMPANY and will be available for being disposed off or absorbed in the manner it deems fit.
- b) The TRANSFEREE COMPANY on behalf of the TRANSFEROR COMPANY may carry on the business, in either name as the circumstances may be, for those unfinished or incomplete business, contracts, transactions that may be necessary to be transacted and completed.
7. On the Scheme finally taking effect as aforesaid, all officers and employees of the TRANSFEROR COMPANY shall be deemed to have become the officers and employees of the TRANSFEREE COMPANY, with effect from the TRANSFER DATE and their employment by the TRANSFEREE COMPANY shall be on the following terms and conditions:
- (i) The terms and conditions of service applicable to such officers and employees shall not be less favorable than those applicable to them respectively prior to the appointed date.
- (ii) The services of such employees shall not be treated as having been broken or interrupted for the purpose of Provident Fund or Gratuity or Superannuation or statutory purposes or otherwise and for all purposes will be reckoned from the date of their respective appointments with the TRANSFEROR COMPANY.

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8. Subject to the other provisions contained in this Scheme, all contracts, deeds, agreements, bonds and other instruments of whatsoever nature subsisting or having effect immediately before the Effective Date to which the TRANSFEROR COMPANY is a party shall be in full force and effect against or in favor of the TRANSFEREE COMPANY as if the TRANSFEREE COMPANY had been a party thereto.
9. The transfers under Clauses 1, 2 and 3 of properties and liabilities of the TRANSFEROR COMPANY and the continuance of the proceedings by or against the TRANSFEREE COMPANY under Clause 4 hereof shall not affect any transaction or proceedings already concluded by the TRANSFEROR COMPANY on and after the TRANSFER DATE and the TRANSFEREE COMPANY shall accept and adopt all such acts, deeds and things as done and executed on behalf of itself. Furthermore, as from the TRANSFER DATE, the TRANSFEROR COMPANY shall be deemed to have carried on and to be carrying on business on behalf of the TRANSFEREE COMPANY until such time as this Scheme becomes effective and shall account to and be entitled to be indemnified by the TRANSFEREE COMPANY.
10. Since the TRANSFEROR COMPANY is a Wholly Owned Subsidiary of the TRANSFEREE COMPANY, upon the Scheme being sanctioned by NCLT, as the case may be, at Bangalore and the transfers having been effected as provided hereinabove, all the shares held by the TRANSFEREE COMPANY in the TRANSFEROR COMPANY shall be cancelled and extinguished. Accordingly there will be no issue and allotment of Shares of the TRANSFEREE COMPANY to the Shareholders of the TRANSFEROR COMPANY upon this Scheme becoming effective.
- 11. Alteration of the Authorized Share Capital in Transferor Company and Increase in authorized, issued, subscribed and paid-up capital of Transferee Company.**
- (a) The Authorized Share capital of the Transferee Company in terms of its Memorandum of Association and Articles of Association shall automatically stand enhanced without any further act, instrument or deed on the part of the Transferee Company, with no payment of stamp duty and fees payable to Registrar of Companies, by an amount of Rs. 5,00,00,000/- (Rupees Five Crores only), and the

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Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the Shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Section 13, Section 14, Section 61 or any other applicable provisions of the Act, would be required to be separately passed. For this purpose, the filing fees and stamp duty already paid by the Transferor Company on its authorized share capital shall be utilized and applied to the increased share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such combined authorized share capital and accordingly, the Transferee Company shall not be required to pay any fees / stamp duty on the authorized share capital so increased.

Upon the Scheme becoming effective, the issued, subscribed and paid-up capital of the Transferee Company shall stand suitably increased consequent upon the issuance of new Equity Shares in accordance with Clause 10 above.

- (b) It is clarified that no Special Resolution under Section 62 of the Act shall be required to be passed by the Transferee Company separately in a general meeting for issue of shares to the shareholders of the Transferor Company under this Scheme and on the members of the Transferee Company approving this Scheme, it shall be deemed that they have given their consent to the issue of Equity Shares of the Transferee Company to the shareholders of the Transferor Company in the Share Exchange Ratio.

12. Upon the coming into effect of this Scheme, an amount being excess/deficit of the value of the assets over the liability, if any, arising pursuant to the Scheme, the TRANSFEROR COMPANY after making such adjustments as the Board of Directors of the TRANSFEREE COMPANY shall be accounted based on the accounting principles prescribed under the Ind AS-103.

13. Applications/petitions to the NCLT, as the case may be:

- (a) The TRANSFEROR COMPANY shall make applications/petitions under Sections 230 and 232 and other applicable provisions of the said Act to NCLT, as the case may be, at Bangalore for sanction of this

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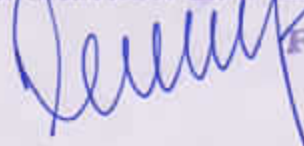
Scheme and for dissolution of the TRANSFEROR COMPANY without winding-up under the provisions of Law.

(b) The TRANSFEREE COMPANY shall make applications/petitions under Section 230 and 232 and other applicable provisions of the said Act to NCLT, as the case may be, at Bangalore for sanction of this Scheme under the provisions of Law.

14. The TRANSFEROR COMPANY and TRANSFEREE COMPANY shall with all reasonable diligence make and pursue applications to the said NCLT, as the case may be, for sanctioning this Scheme of Amalgamation under Section 230 of the Companies Act, 2013 or any statutory amendments thereto, for carrying this Scheme into effect and for dissolution of TRANSFEROR COMPANY without winding up.
15. The Scheme is subject to such modifications as the Court may impose, and/or the Directors of the Companies concerned may effect or assent on behalf of all concerned and may do such other acts, deeds and things as may be necessary for carrying this scheme into effect.
16. This Scheme shall not in any manner affect the right of any of the Creditors of the TRANSFEROR COMPANY, in particular the Secured Creditors thereof who shall continue to enjoy and hold charge upon their respective securities.
17. This Scheme shall become operative as soon as the certified copy of the order of NCLT, as the case may be, at Bangalore, confirming this Scheme and is filed with the Registrar of Companies, Karnataka at Bangalore.
18. All costs, charges and expenses of the TRANSFEROR COMPANY and of the TRANSFEREE COMPANY respectively in relation to or in connection with the Scheme shall be respectively borne by the TRANSFEROR COMPANY and the TRANSFEREE COMPANY, negotiations leading upto the Scheme and/or carrying out and completing the terms and provisions of this Scheme and of and incidental to the completion of Amalgamation in pursuance of this Scheme shall be borne and paid by the TRANSFEREE COMPANY.

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