

Report of Committee of Independent Directors (“Committee”) Recommending the Draft Scheme of Arrangement Amongst Pressman Advertising Limited (‘Transferor Company’) and Signpost India Limited(Formerly Known as Signpost India Pvt. Ltd.) (‘Transferee Company’) and their respective Shareholders (“SCHEME”).

Members Present:

1. Mr AjitKhandelwal
2. Mr Sushil Kumar Mor
3. Mr Kalyan Bose

1. Background

1.1A meeting of the Committee of Independent Directors (“Committee”) of the Board of Directors of Pressman Advertising Limited was held on 24th June 2022 to consider and, if thought fit, recommend the proposed Scheme of Arrangement (“Scheme”) between Pressman Advertising Limited (the “Transferor Company, PAL”), Signpost India Limited (Formerly Known as Signpost India Pvt. Ltd.) (the “Transferee Company, SIL”) and their respective shareholders wherein Transferor Company would merge in to with Transferee Company and stand dissolved without being winding up with effect from the appointed date i.e. April 1, 2022 in accordance with the terms of the Scheme and pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“Act”) and the rules and regulations made thereunder, as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force) and regulation 11, 37 and 94 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 (“SEBI LODR Regulations”) and the Master Circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 issued by the Securities and Exchange Board of India (“SEBI Circular”), as amended from time to time.

The Scheme is subject to receipt of approvals of board of directors, shareholders of company involved and approval of other regulatory authorities as may be required, including those of the BSE Limited, National Stock Exchange of India Limited and The Calcutta Stock Exchange (collectively referred as “Stock Exchanges”), Securities and Exchange Board of India and the Hon’ble NCLT.

In terms of the SEBI Circular, a report from the Committee is required recommending the draft Scheme, taking into consideration *inter alia* that the Scheme is not detrimental to the shareholders of the Transferee Company. This report of the Committee is made in order to comply with the requirements of SEBI LODR Regulations and SEBI Circular.

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Paulani Mukherjee
Company Secretary

The following documents were placed before the Committee:

- a) Draft Scheme of Arrangement ;
- b) Valuation Report dated 24th June 2022 issued by Mr Nikhil Singhi, Chartered Accountants and Registered Valuer (IBBI Registration No. IBBI/RV/06/2019/11089) for determination of Share Entitlement Ratios under the Scheme ("**Valuation Report**");
- c) Fairness Opinion dated 24th June 2022 prepared by Inga Ventures Private Limited; an Independent SEBI registered Category-1 Merchant Banker, providing fairness opinion on the valuation of the shares and the Share Entitlement Ratio as recommended in the Valuation Report. ("**Fairness Opinion**");
- d) Certificates dated 24th June 2022 issued by Mookherjee, Biswas and Pathak, Chartered Accountant and Sarada Soni Associates, LLP Statutory Auditors of Transferor and Transferee Company confirming that the accounting treatment contained in the Scheme is in compliance with all the applicable accounting standards specified by the Central Government under Section 133 of Companies Act, 2013 and other generally accepted accounting principles; and

Salient Features of the Scheme

The Committee considered and observed that the draft Scheme provides for the following:

Reduction of Share Capital by paying off excess paid up equity share capital of Signpost India Limited (Formerly Known as Signpost India Private Limited) and alter its memorandum by reducing the number of equity shares and amount of equity share capital by issuing unlisted, unsecured, non-convertible, redeemable debentures (NCD).

The Scheme is for amalgamating the entire business of the company with the Signpost India Limited (Formerly Known as Signpost India Private Limited) in accordance with Section 230 to 232 and other applicable provisions of the Act, the provisions of the SEBI Scheme Circular and the Income Tax Act, 1961, including Section 2(1B) thereof;

The Appointed Date means the opening of business hours on April 1, 2022 or such other date as may be approved by the National Company Law Tribunal, Mumbai bench ("NCLT") and National Company Law Tribunal, Kolkata Bench ("NCLT");

In consideration of the proposed Scheme, the Transferee Company will issue and allot equity shares, to each shareholder of the Transferor Company, whose names appear in the register of members of Transferor Company on the record date as may be fixed for the purpose by the Board of Transferee Company in consultation with the Transferor Company (hereinafter referred to as "the Record Date"), in the following manner:

"1 (one) equity share of Rs. 2 each fully paid up of Transferee Company for every 1(one) equity share of Rs. 2 each fully paid up held in Transferor Company."

The equity shares proposed to be allotted by the Transferee Company will be listed on BSE Limited and National Stock Exchange of India Limited, recognized stock exchanges having nationwide trading platform.

The Transferor Company and the Transferee Company shall follow the method of accounting as per the applicable accounting principles as prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as notified under Section 133 of the Act, as may be amended from time to time and relevant clarifications issued by Institute of Chartered Accountants of India.

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

The requisite consents, no-objections and approvals of the Stock Exchanges and SEBI to the Scheme in terms of the SEBI Circular.

The approval of the Scheme by the respective requisite majorities in number and value of the shareholders of the Companies in accordance with section 230 to 232 of the Act;

The Scheme being sanctioned by the Tribunal in terms of sections 230 to 232 and other relevant provisions of the Act and the requisite orders of the Tribunal and

Certified copies of the orders of the Tribunal sanctioning this Scheme being filed with the relevant Registrar of Companies by Transferor Company and Transferee Company as per the provisions of the Companies Act.

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Paulani Mukherjee

Company Secretary

Rationale of the Scheme of Arrangement

The Committee noted the rationale and need for the merger of the Transferor Company into Transferee Company, as provided in the draft scheme of arrangement, and which is reproduced hereunder:

- (i) The present share capital of Transferee Company is large in amount in relation to the size of the company. It will be beneficial to create a company with share capital in consonance with the size of its operations, so that, the capital is serviced efficiently.
- (ii) The Merger will create a larger and stronger entity by combining the experience, expertise, resources and client base of the two companies and offer a larger bouquet of services in the areas of advertising and promotion with focus on digital media and emerging technologies. The proposed merger shall result in streamlining of operations and cost efficiency and together with the combined clientele of both the companies, is likely to result in accelerated business growth.
- (iii) The Merger would result in optimum utilisation of the facilities, reserves, financials, managerial, technological, manpower and other resources which will be conducive to enhance the operational efficiencies in the Amalgamated Company.
- (iv) The Merged Company would benefit from the complementary skills of the combined management team, which in turn would enhance the overall corporate capability, provide focused strategic leadership and facilitate better supervision of the business.
- (v) The Merger will further result in various benefits including:
 - Achieving economies of scale.
 - Lesser regulatory / procedural compliances.
 - Cost saving in fees/ duties payable on statutory and procedural compliances.
 - Elimination of duplication of administrative functions and multiple record-keeping resulting in reduced expenditure.

The amalgamation is in the interest of both the companies, their shareholders, creditors and all other stakeholders of the respective companies and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

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Company Secretary

Scheme Not Detrimental to The Shareholders of Transferor Company.

- The members of the Committee of Independent Directors discussed and deliberated upon the rationale and salient features of the Scheme.
- The Transferee Company will issue and allot its equity shares, credited as fully paid up to the shareholders of the Pressman Advertising Limited, in the manner as set out in above paragraph , and in accordance with the recommendations under the Valuation Report and the Fairness Opinion.
- The equity shares to be issued by the Transferee Company to the members of the Transferor Company pursuant to the Scheme shall rank *paripassu* in all respects with the existing equity shares of the Company.
- Accordingly, there will be no detrimental impact on the shareholders of the company due to proposed scheme.

Recommendation of the Committee:

The Committee after due deliberations and due consideration of all the terms of the draft Scheme, Valuation report, Fairness Opinion Report, Accounting Treatment Certificate, etc recommends the draft Scheme for favorable consideration and approval by the Board, Stock Exchange(s), The Securities Exchange Board of India and other appropriate authorities.

For and Behalf of Committee of Independent Directors
For Pressman Advertising Limited



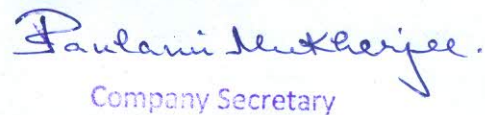
Ajit Khandelwal
Independent Director
Chairman of the Committee

Dated : 24.06.2022

Place : Kolkata

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Pressman Advertising Ltd



Company Secretary