

**SCHEME OF MERGER BY ABSORPTION  
OF  
CYBER MEDIA RESEARCH & SERVICES LIMITED  
(“Transferor Company” or “CMRSL”)  
WITH  
CYBER MEDIA (INDIA) LIMITED  
(“Transferee Company” or “CMIL”)  
AND  
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

(Under Sections 230 to 232 and other applicable provisions of the Companies Act 2013)



## **A. PREAMBLE**

This Scheme of Merger by Absorption/Amalgamation (“the Scheme”) is presented under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act 2013 and the rules made thereunder, read with Section 2(1B) and other applicable provisions of the Income Tax Act, 1961 for amalgamation (merger by absorption) of CMRSL into CMIL. This Scheme also provides various other matters consequential or otherwise integrally connected therewith.

## **B. PARTS OF THE SCHEME**

This Scheme is divided into the following parts:

- (i) **PART I** deals with the Introduction, Rationale of the Scheme, Definitions, Interpretation and Share Capital of the Companies which are involved in the Scheme;
- (ii) **Part II** deals with amalgamation of CMRSL with CMIL; and
- (iii) **Part III** deals with general terms and conditions applicable to this Scheme.



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## PART I

### INTRODUCTION, RATIONALE OF THE SCHEME, DEFINITIONS AND SHARE CAPITAL

#### 1. INTRODUCTION

**CMIL** is a public limited company incorporated under the Companies Act, 1956, having its registered office at D-74, Panchsheel Enclave, New Delhi-110017, India, with Permanent Account Number: AAACC1023E and Corporate Identification Number: L92114DL1982PLC014334. CMIL was incorporated on September 10, 1982.

The equity shares of CMIL are listed on main board of BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE').

CMIL has 43 years of excellence in India. CMIL is engaged in the business of content creation and publishing leading magazines, periodic journals etc. in Information Technology through its media brands DataQuest, PC Quest, Voice & Data, DQ Channels, CIOL etc. and has a wide pan India/Asia presence.

**CMRSL** is a public limited company incorporated under the Companies Act, 1956, having its registered office at D-74, Panchsheel Enclave, New Delhi-110017, India, with Permanent Account Number: AAACI2770A and Corporate Identification Number: L74130DL1996PLC081509. CMRSL was incorporated on August 29, 1996. CMRSL was initially incorporated with name, 'IDC (India) Limited' which was changed to Cyber Media Research Limited w.e.f. February 28, 2011, and further changed to Cyber Media Research & Services Limited w.e.f. March 26, 2014.

The equity shares of CMRSL are listed on NSE-SME Emerge of National Stock Exchange of India Limited.



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CMRSL is, inter alia, engaged in the business of providing services related to digital marketing, advertisements, social media campaign, search engine optimisation, management consulting, market research and analysis, etc.

CMRSL and CMIL are related to each other as per Section 2(76) of the Companies Act, 2013. CMIL holds 38.17% of the total equity shares of CMRSL. CMIL while presenting its financial information and financial statements as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 consolidates CMRSL as a subsidiary as per the Companies (Indian Accounting Standards) Rules, 2015 particularly IndAS 110, 'Consolidated Financial Statements'.

## **2. RATIONALE OF THE SCHEME**

- a. CMIL is renowned in the Indian technology media landscape with a legacy spanning over four decades. With strong national brands including Dataquest, PCQuest, Voice&Data, etc., the media business of CMIL has successfully navigated to digital content for its communities and customers by expanding its offerings of media and content services to include media mesh, online platforms and phygital events.
- b. CMRSL is engaged in ad tech and data analytics business. The Company has four revenue streams i.e., Digital Marketing, Programmatic Media Buying, Publisher Monetization, and Data Analytics. These together form the pillars of the digital marketing landscape. This drives higher conversions and sales for advertisers and enables publishers to earn more. CMRSL's algorithms leverage large sets of data, process it via AI engines to provide the right results, therefore simplifying digital marketing. CMGalaxy, Auxo Ads and CyberAds are CMRSL's proprietary products for different stakeholders in the ecosystem.



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- c. The merger will strategically position the merged entity as a single entity for marketing solutions for customers. CMIL has historically built strong customer relationships, products and brands. A merged entity will enable the businesses to focus on higher value creation for customers and therefore higher profitability. The merged companies' key business activities will comprise Marketing & Technology Solutions, Print & Digital Publications, Industry Research & Consulting and Event Management.
- d. With Deep Tech playing a pivotal role in Viksit Bharat 2047, CyberMedia (merged entity) aims to establish market leading products across the above-mentioned categories. This will uniquely position the combined entity as a one-stop-shop for corporates and SMEs to choose for their transformation.
- e. The merger will cause silos to be broken down resulting in cross-sell, up-sell of various products & services. This synergy will result in cross leveraging clients to fuel additional growth opportunities.
- f. The merger will also strengthen decision making and optimize management bandwidth. The merged entity will therefore bring about a synergy at the strategic, decision-making and execution level.
- g. The merged entity will lead to an increase in market capitalization. In addition to the aggregation of existing market caps of existing entities, the synergies will lead to enhancement of size and profitability. This would lay the roadmap for long-term growth both organic as well as inorganic.
- h. The shares of CMRSL are listed on SME-Emerge Platform of NSE. The shares of CMIL are listed on the main board of NSE and BSE. CMIL shares have a far higher trading volume in number of transactions, quantity and value as compared to CMRSL shares. Upon merger, the shareholders of CMRSL will have better liquidity by trading in CMIL



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shares at the main board of NSE and BSE with no restriction on lot size. Therefore, CMRSL investors will find better liquidity and value for their holdings.

- i. Merger will result in better cost management. Sales operations will become far more effective with a reduction in duplicate marketing and selling costs. Duplication at senior management level would be eliminated.
- j. There will be reduction in administrative expenses as cost duplication over HR, finance, admin, accounts, legal functions are rationalized.
- k. Further cost savings will be achieved because of reduced compliance costs. This would include statutory fee incurred on compliances., viz., General Meetings, NSE, NSDL, CDSL, RoC, RTA. Work related to statutory audit, internal audit, secretarial audit, income tax audit, GST, PF, ESI, Professional Tax, etc. will halve. So will the professional cost associated with the consultants engaged for these activities.
- l. Therefore, the proposed amalgamation will create and provide more customers, better customer relationship, simplification of business processes, operational synergies, economies of scale, optimum utilization of resources, which will create stronger base for future growth.
- m. The merger will improve cash flow which shall result in efficient utilization of capital at the combined entity level. The combined balance sheet will have better ROCE, debt equity ratio, current ratios, etc.
- n. The merger will help in achieving consolidation, greater integration and flexibility that will maximize overall shareholders' value and improve the competitive position and negotiating power of the combined entity.



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### 3. DEFINITIONS

In this Scheme (as defied hereunder), unless inconsistent with the subject or context, the following expressions shall have the following meaning:

**3.1 "Act"** means the Companies Act, 2013, the rules and regulations made thereunder including any statutory modification or re-enactment thereof for the time being in force.

**3.2 "Applicable Laws"** means any statute, notification, bye laws, rules, regulations, guidelines, circulars or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof for the time being in force.

**3.3 "Accounting Standards"** means the generally accepted accounting principles in India and Indian Accounting Standards as notified under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended from time to time and to the extent in force and other relevant provisions of the Act.

**3.4 "Appropriate Authority"** means any central, state, provincial, local or similar governmental, statutory, regulatory, administrative authority, agency, commission, departmental or public body or authority, board, branch, tribunal or court or other entity authorised to make laws, rules, regulations, standards, requirements, procedures or to pass directions or orders, in each case having the force of law, or any non-governmental regulatory or administrative authority, body or other organisation to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organisation have the force of law, or any stock exchange of India including the Registrar of Companies, Regional Director, Official Liquidator, Competition Commission of India, Reserve Bank of India, Securities and Exchange Board of India, Stock Exchanges, National Company Law Tribunal or any court, tribunal board, bureau or instrumentality



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thereof or arbitration or arbitral body having jurisdiction and such other sectoral regulators or authorities as may be applicable.

**3.5 "Appointed Date"** means April 01, 2026 or such other date as may be fixed or approved by NCLT or such other competent authority.

**3.6 "Board of Directors" or "Board"** means the Board of Directors of the Transferor Company or the Transferee Company as the case may be, and shall, unless contrary to the context or otherwise, include a duly constituted committee thereof.

**3.7 "Effective Date"** means the last of the dates on which the certified copy of the Order of NCLT sanctioning the Scheme of Arrangement is filed by the Transferor Company and the Transferee Company with the Registrar of Companies, NCT of Delhi & Haryana, New Delhi. All references in this Scheme to the date of "coming into effect of this Scheme" or "Effectiveness of the Scheme" or "Scheme taking effect" or "Scheme becoming effective" shall mean the Effective Date.

**3.8 "Encumbrance"** means any mortgage, charge (whether fixed or floating), pledge, lien, conditional sales contract, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance or interest of any kind securing, or conferring any priority of payment in respect of any obligation of any person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law.

**3.9 "Financial Statements"** means include standalone and consolidated accounts, i.e., balance sheet, statement of profit & loss, cash flow statement and notes to accounts of the Transferor Company and the Transferee Company, as the context may require.



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**3.10 "IT Act"** means the Indian Income Tax Act, 1961 including any statutory modification or re-enactment thereof for the time being in force.

**3.11 "LODR"** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by SEBI.

**3.12 "Transferee Company" or "CMIL"** means Cyber Media (India) Limited, a listed public limited company incorporated under the Companies Act, 1956, with Permanent Account Number: AAACC1023E and Corporate Identification Number: L92114DL1982PLC014334 and having its registered office at D-74, Panchsheel Enclave, New Delhi-110017, India.

**3.13 "NCLT" or "Tribunal"** means the National Company Law Tribunal at New Delhi as constituted and authorised as per the provisions of the Act or any other appropriate authority having jurisdiction to sanction the Scheme.

**3.14 "New Shares"** means shares issued by the Transferee Company to the shareholders of the Transferor Company as a consideration for the amalgamation.

**3.15 "Parties"** means collectively, the Transferor Company and the Transferee Company, and the term '**Party**' shall mean each of them individually.

**3.16 "Record Date"** means the date to be fixed by the Board of Directors of the Transferee Company in consultation with the Board of Directors of the Transferor Company, which shall either be the Effective Date, or a date after the Effective Date, for the purpose of reckoning names of the equity shareholders of the Transferor Company who shall be entitled to receive the New Shares to be issued and allotted by the Transferee Company pursuant to the Scheme.



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**3.17 “Registrar of Companies” or “ROC”** means Registrar of Companies, NCT of Delhi & Haryana, New Delhi.

**3.18 “Scheme” or “the Scheme” or “this Scheme”** means this Scheme of Arrangement between Cyber Media Research & Services Limited and Cyber Media (India) Limited, and their respective shareholders and creditors, in its present form as submitted to the National Company Law Tribunal or this Scheme with such modification(s), if any, made as per Clause 18 of the Scheme.

**3.19 “SEBI”** means Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.

**3.20 “SEBI Circulars”** means the circulars issued by SEBI in relation to the amalgamations and arrangements carried under the Act and shall inter-alia include SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 including any amendment thereto, for the time being in force.

**3.21 “Transferor Company” or “CMRSL”** means a public limited company incorporated under the Companies Act, 1956, with Permanent Account Number: AAACI2770A and Corporate Identification Number: L74130DL1996PLC081509 and having its registered office at D-74, Panchsheel Enclave, New Delhi-110017, India,

**3.22 “Stock Exchanges”** means NSE and BSE where the equity shares of the Transferee Company are listed. In reference of the Transferor Company, ‘Stock Exchange’ means NSE where the equity shares of the Transferor Company are listed.

**3.23 “Taxation” or “Tax” or “Taxes”** means all forms of taxes and statutory, governmental, state, provincial, local government or municipal impositions, duties, contributions and levies whether levied by reference to income, profit, book profits, gains, networth, asset



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values, turnover, added value or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction at source, advance tax, minimum alternate tax, minimum alternate tax credit or otherwise or attributable directly or primarily to the Transferor Company and the Transferee Company, as the case may be or any other person and all penalties, charges, costs and interest relating thereto.

All terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the IT Act, the Securities Contracts (Regulation) Act 1956, or other applicable law, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof, for the time being in force.

#### 4. INTERPRETATION

In this Scheme, unless the context otherwise requires:

- Words denoting singular shall include plural and vice versa;
- Headings and bold type face are only for convenience and shall be ignored for the purposes of interpretation;
- References to the word “include” or “including” shall be construed without limitation;
- A reference to an article, clause, section, paragraph or schedule is, unless indicated to the contrary a reference to an article, clause, section, paragraph or schedule of this Scheme;
- Unless otherwise defined, reference to the word “days” shall mean calendar days;
- References to dates and times shall be construed to be references to Indian dates and times;
- Reference to a document includes an amendment or supplement to, or replacement or novation of that document;
- Word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed to them; and



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- References to a person include any individual, firm, body corporate (whether incorporated or not), government, state or agency of a state or any joint-venture, association, partnership, works council or employee representatives' body (whether or not having separate legal personality).

## 5. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the Tribunal or made as per Clause 18 of the Scheme shall, be effective from the Appointed Date but shall be operative from the Effective Date.

## 6. SHARE CAPITAL

6.1 The Authorised, Issued, Subscribed and Paid-up share capital of the Transferor Company as on the date of approval of this Scheme by the Board of Directors of the Transferor Company is as under:

Particulars	(Amount in ₹)
<b>Authorised Share Capital:</b>	
50,00,000 Equity Shares of ₹ 10 each	5,00,00,000
<b>Total</b>	<b>5,00,00,000</b>
<b>Issued, Subscribed and Paid-up Capital:</b>	
29,28,000 Equity Shares of ₹ 10 each fully paid-up	2,92,80,000
<b>Total</b>	<b>2,92,80,000</b>

The Transferee Company, as on the date of approval of the Scheme by the Board i.e. January 24, 2026, holds 11,17,600 Equity Shares (Eleven Lakh Seventeen Thousand Six Hundred) i.e., 38.17% of the Transferor Company.



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6.2 The Authorised, Issued, Subscribed and Paid-up share capital of the Transferee Company as on the date of approval of this Scheme by the Board of Directors of the Transferee Company is as under:

Particulars	(Amount in ₹)
<b>Authorised Share Capital:</b>	
2,30,00,000 Equity Shares of ₹ 10 each	23,00,00,000
<b>Total</b>	<b>23,00,00,000</b>
<b>Issued and Subscribed Capital</b>	
2,08,29,721 Equity Shares of Rs. 10/- each	20,82,97,210
<b>Paid-up Capital*</b>	
1,56,67,242 Fully paid up Equity Shares of face value of ₹ 10 each	15,66,72,420
51,62,479 Partly paid up Equity Shares of face value of ₹ 10 each (₹ 5 paid up)	2,58,12,395
<b>Total*</b>	<b>18,24,84,815</b>

*\*The Company has allotted 51,62,479 Equity Shares of ₹10 each on a rights basis on September 02, 2025, which are partly paid-up to the extent of ₹5 per share. The balance ₹5 per share will be called up in due course as per the terms of the issue. Accordingly, the total paid-up share capital of the Company as on December 31, 2025, stands at ₹18,24,84,815.*



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## PART II

### AMALGAMATION OF TRANSFEROR COMPANY WITH TRANSFEREE COMPANY

#### 7. TRANSFER AND VESTING OF ASSETS AND LIABILITIES

7.1 With effect from the Appointed Date, the entire business(es) of the Transferor Company including all properties and assets (whether movable or immovable, tangible or intangible) of whatsoever nature such as licenses, permits, trademarks, quotas, investments, approvals, lease, tenancy rights, permissions, incentives, if any, and all other rights, title, interest, certificates, registrations under various legislations, contracts, consent, approvals or powers of every kind/nature and descriptions whatsoever shall under the applicable provisions of the Act and pursuant to the orders of the Tribunal and without any further act, instrument or deed, but subject to the existing charges affecting the same as on the Effective Date be transferred and/or deemed to be transferred to and vested in the Transferee Company so as to become the properties and assets of the Transferee Company.

7.2 Without prejudice to Clause No. 7.1 above, in respect of such of the assets of the Transferor Company as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by the Transferor Company, and shall, upon such transfer, become the property, estate, assets, rights, title, interest and authorities of the Transferee Company by way of physical delivery or novation. The investments held in dematerialised form will be transferred to the Transferee Company by issuing appropriate delivery instructions to the depository participant with whom the Transferor Company has an account. Such delivery and transfer shall be made on a date mutually agreed upon between the respective Boards of Directors of the Transferee



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Company and the Transferor Company, being a date after the sanction of the Scheme by the Tribunal.

7.3 The movable assets, other than those specified in Clause 7.2 above, including intangible assets, actionable claims, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits including deposits paid in relation to outstanding litigations, if any, with government, semi-government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, be transferred to and vested into as the property of the Transferee Company. The Transferee Company may, if required, give notice in such form as it may deem fit and proper to each person or debtor that, pursuant to the Scheme, the said person or debtor should pay the debt, loan or advance or make good the same or hold the same to its account and that the rights of the Transferee Company to recover or realise the same is in substitution of the right of the Transferor Company and that appropriate entry should be passed in their respective books to record the aforesaid charges.

7.4 Without prejudice to any of the Clauses above, with effect from the Appointed Date and upon the Scheme becoming effective, all immovable properties, including land together with buildings and structure standing thereon, flats, whether freehold or leasehold, relating to any of the Transferor Company and any documents of title, rights, interest, claims, including leases, licenses and easements in relation thereto, shall, pursuant to the applicable provisions of the Act and the Scheme, without any further act, instrument, deed, matter or thing, stand transferred to and vested into the Transferee Company, as of the Appointed Date. The mutation of the title to the immovable properties shall be made and duly recorded by the appropriate authorities pursuant to the sanction of the Scheme and upon the Scheme becoming effective, in accordance with the terms hereof, in favour of the Transferee Company.

7.5 The transfer and vesting as aforesaid shall be subject to the existing charges/hypothecation/mortgages, if any, as may be substituting and agreed to be created



over or in respect of the said assets or any part thereof, provided however, any reference in any security documents or arrangements to which the Transferor Company is a party wherein the assets of the Transferor Company have been or are offered or agreed to be offered as security for any financial assistance or obligations shall be construed as reference only to the assets pertaining to the Transferor Company and vested in the Transferee Company by virtue of this Scheme to the end and intent that the charges shall not extend or deemed to extent to any assets of the Transferee Company.

7.6 Provided that the Scheme shall not operate to enlarge the security for the said liabilities of the Transferor Company which shall vest in the Transferee Company by virtue of the Scheme and the Transferee Company shall not be obliged to create any further, or additional security thereof after the merger by absorption has become effective or otherwise. The transfer/vesting of the assets of the Transferor Company as aforesaid shall be subject to the existing charges/hypothecation/mortgages over or in respect of the assets or any part thereof of the Transferor Company.

7.7 All debts, liabilities, duties and obligations of whatsoever nature of the Transferor Company shall also, without any further act, instrument or deed be transferred to and vested in and assumed by and/or deemed to be transferred to and vested in and assumed by the Transferee Company pursuant to the provisions of Sections 230 to 232 and all other applicable provisions of the Act, so as to become the debts, liabilities, duties and obligations of the Transferor Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Clause.

7.8 The Transferee Company may at any time after the coming into effect of the Scheme in accordance with the provisions of the Scheme, if so required, under any law or otherwise, execute Deeds of Confirmation, in favour of the creditors of the Transferor Company or in favour of any other party to any contract or arrangement to which the Transferor Company



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is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to implement or carry out all such formalities or compliance referred to above on the part of the Transferor Company to be carried out or performed.

7.9 With effect from the Appointed Date and upon the Scheme becoming effective, all development rights, statutory licenses, permissions, approvals or consents, if any, to carry on the operations and business of the Transferor Company shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company. The benefit of all statutory and regulatory permissions, environmental approvals and consents, registrations or other licenses and consents shall vest in and become available to the Transferee Company pursuant to this Scheme.

7.10 All taxes (including but not limited to disputed tax demands, advance tax, tax deducted at source, minimum alternate tax credits, dividend distribution tax, securities transaction tax, value added tax, goods and services tax, service tax, etc.) payable by or refundable to the Transferor Company, included all or any refunds or disputed tax demands, if confirmed, or claims shall be treated as the tax liability or refund/claims, as the case may be, of the Transferee Company. Any incentive, advantage, exemptions, other benefits, as would have been available to the Transferor Company, shall be available to the Transferee Company.

7.11 This part of the Scheme has been drawn up to comply with the conditions relating to 'Amalgamation' as specified under Section 2(1B) of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the IT Act, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the IT Act, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with



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Section 2(1B) of the IT Act. Such modification will however not affect the other parts of the Scheme.

7.12 All cheques and other negotiable instruments, payment orders received or presented for encashment which are in name of the Transferor Company after the Effective date shall be accepted by the banker of the Transferee Company and credited to the account of the Transferee Company if presented by the Transferee Company. Similarly, the banker of the Transferee Company shall honor all cheques issued by the Transferor Company for payment after the Effective Date.

## **8. ISSUE OF SHARES BY THE TRANSFEE COMPANY**

8.1 Upon this Scheme becoming effective and in consideration for merger by absorption of the Transferor Company with the Transferee Company, the Transferee Company shall without any further application or deed, issue and allot shares, credited as fully paid-up, to the extent indicated below to the shareholders of the Transferor Company, holding fully paid-up equity shares and whose name appear in the register of members on the Effective date (other than the Transferee Company) (based upon the Benpos provided by the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognised by the respective Board of Directors, in the following proportion:

*35 fully paid-up equity shares of the face value of ₹ 10 each of the Transferee Company shall be issued and allotted at par for every 8 fully paid-up equity shares of the face value of ₹ 10 each held by the members of the Transferor Company.*

8.2 No equity shares shall be issued and allotted in respect of fractional entitlements, if any, by the Transferee Company, to the members of the Transferor Company at the time of issue and allotment of equity shares under Clause 8.1 above.



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8.3 The equity shares to be issued by the Transferee Company pursuant to Clause No. 8.1 above shall be issued and allotted in Demat mode only.

8.4 The equity shares to be issued and allotted by the Transferee Company pursuant to Clause 8.1 above shall be subject to the Scheme and the Memorandum and Articles of Association of the Transferee Company.

8.5 The Transferee Company shall take necessary steps to increase or alter or re-classify, (if necessary), its Authorised Share Capital suitably to enable it to issue and allot the shares required to be issued and allotted by it pursuant to Clause 8.1 of this Scheme.

8.6 Approval of this Scheme by the shareholders of the Transferee Company shall be considered adequate compliance of Section 62 of the Companies Act, 2013, and other relevant and applicable provisions of the Act for the issue and allotment of equity shares by the Transferee Company to the shareholders of the Transferor Company, as provided in this Scheme.

8.7 The approval of this Scheme by the shareholders of the Transferee Company under the Act shall be deemed to have the approval under Sections 13, 14 and other applicable provisions of the Act and the relevant provisions in the Articles of Association of the Transferee Company and any other consents and approvals required in this regard.

8.8 If any member of the Transferor Company becomes entitled to any fractional shares, entitlements or credit on the issue and allotment of the shares to be issued and allotted by the Transferee Company in accordance with Clause 8.1 above, the Board of the Transferee Company shall consolidate all such fractional entitlements and shall round up the aggregate of such fractions to the next whole number and issue consolidated shares to a trustee nominated by the Transferee Company (the "Trustee"), who shall hold such shares with all additions or accretions thereto in trust for the benefit of the respective shareholders, to whom they belong and their respective heirs, executors, administrators or successors for



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the specific purpose of selling such equity shares in the market at such price or prices and such time or times within 90 (Ninety) days from the date of allotment, as the Trustee may in its sole discretion decide and on such sale, pay to the Transferee Company, the net sale proceeds (after deduction of applicable taxes and costs incurred) thereof and any additions and accretions, whereupon the Transferee Company shall, subject to withholding tax, if any, distribute such sale proceeds to the concerned shareholders of the Transferor Company in proportion to their respective fractional entitlements.

## **9. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEE COMPANY**

9.1 Upon this Scheme becoming effective on the Effective Date, the Merger by Absorption/Amalgamation of the Transferor Company with the Transferee Company shall be accounted for in accordance with the applicable provisions of the Act; Accounting Standards prescribed under Section 133 of the Act; and Generally Accepted Accounting Principles in India (Indian GAAP), as the case may be. The Transferee Company shall give effect of this Scheme in its Books of Accounts in accordance with accounting prescribed under, 'Pooling of Interest' method in the Indian Accounting Standard (IndAS) 103- 'Business Combinations', Appendix C as notified under Section 133 of the Act read together with the Companies (Indian Accounting Standard) Rules, 2015, as amended from time to time. Notwithstanding anything above, the Transferee Company, in consultation with their statutory auditors, are authorised to account for this Scheme and effect thereof in any manner whatsoever as may be deemed fit in accordance with applicable accounting standards.

9.2 The Transferee Company shall, upon the Scheme becoming effective, record the assets and liabilities of the Transferor Company (as appearing in the books of accounts of the Transferor Company at the close of business on the day preceding the Appointed Date) as vested in the Transferee Company, at the respective book values thereof.



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9.3 If and to the extent there are inter-corporate loans, advances, deposits or balances as between the Transferor Company and the Transferee Company, inter-se, the obligations in respect thereof shall, on and from the Appointed Date, come to an end and corresponding suitable effect shall be given in the books of accounts and records of the Transferee Company. Further for the removal of doubts, it is clarified that from the Appointed Date there would be no accrual of interest or other charges in respect of any deposits/loans and advance balances and obligations between the Transferor Company and the Transferee Company.

9.4 The share capital of the Transferor Company held by the Transferee Company shall, upon the Scheme becoming effective, automatically stand cancelled with effect from the Appointed Date.

9.5 The face value of equity shares issued by the Transferee Company to the shareholders of the Transferor Company will be recorded as equity share capital of the Transferee Company.

9.6 The identity of the reserves of the Transferor Company, if any and to the extent deemed appropriate by the Board of Directors, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner, in which they appeared in the financial statements of the Transferor Company. Accordingly, if there is any reserve in the financial statements of the Transferor Company available for distribution whether as bonus shares or dividend or otherwise, the same would also be available in the financial statements of the Transferee Company for such distribution.

9.7 Upon the Scheme becoming effective, the difference, if any, between the value of total assets and total liabilities as recorded in the Transferee Company, pursuant to Clause 9.2 above, after adjusting for the face value of equity shares issued pursuant to Clause 9.5 above, after adjusting the inter-company balance pursuant to Clause 9.3 above, and after



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adjusting for the treatment of reserves in Clause 9.6 above, shall be recorded as and credited to or debited to the Capital Reserve Account, as the case may be.

9.8 In case of any differences in accounting policies between the Transferor Company and the Transferee Company, impact of the same till the Appointed Date will be quantified and the same shall be appropriately adjusted and reported in accordance with applicable accounting rules and principles, so as to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policies.

9.9 All costs and expenses incurred whether of the Transferor Company or of the Transferee Company, incidental with the finalisation of this Scheme and to put it into operation, including all advisory fees and charges and expenses attributable to implementation of this Scheme, shall be borne by the Transferee Company and adjusted in the books of the Transferee Company on completion of this Scheme.

## **10. MODIFICATIONS IN THE MEMORANDUM OF ASSOCIATION OF THE TRANSFeree COMPANY**

### **10.1 COMBINATION OF THE MAIN OBJECT OF THE TRANSFeree COMPANY**

Upon the Scheme becoming effective and with effect from the Appointed date, the Main Object of the Transferee Company shall automatically stand altered and amended, without any further act or deed on the part of the Transferee Company, including payment of any fees payable to the Registrar of Companies, by addition of the Main Object of the Transferor Company to the Main Object of the Memorandum of Association of the Transferee Company as on the Effective Date.

The Main Object Clause III(A) of the Memorandum of Association of the Transferee Company shall be as under:



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1. To carry on business of proprietors, publishers, printers, designers, distributors, buyers, sellers, exchangers of books, pamphlets, newspapers, journals, magazines, periodicals, pamphlets, leaflets, comics and other literary works and undertakings.
2. To purchase or otherwise acquire, either wholly or in part and to print, publish edit, newspapers, magazines, pamphlets, journals, dailies, reviews, pictorials, annuals, supplements, biographies, autographies, books, treaties, pictures, circulars, encyclopedias and other literature or works and publication and to deal in pictures, photographs paintings, pictorials post cards, calendars, diaries, stationery, artistic goods.
3. To carry on all or any of the business of printers, publishers, stationer, lithographers, offset printers, type setters, tin, metal, cloth, rubber, parchment, celluloid, glass, bottles, tubes, printers, stereo-typres, electro-types, photographic printers, photo lithographers, lithographers engravers, die sinkers, book-binders, designers, name plates printers, toy printers, tin box printers, tin and metal steel folders, Vandyke, cellotype, photographic workers and printers, calenders, pictures and advertising novelties printers, playing card printers, cloth label printers, numerical printers, paper bag and account book makers, Box makers, card board printers, ticket manufactures and book sellers.
4. To organise and carry out the business of advertisers, advertising agents, publicity consultants and to organise propaganda and advertising campaign by means of press advertisements, pamphlets, hand bills, circulars, advertisement reels, posters, cinema slides or by any other means or through the means of radio, television, video or any other media.
5. To organise, develop, produce, promote, sell, let-on-hire or otherwise deal in audio visuals, seminars, films, televisions and radio features, workshops, teaching aids, slides, video-tapes, advertising and promotion materials.



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*Abhishek*



6. To carry on the business of designing, creating, producing, editing, proof reading, validating, publishing, typesetting, conversion of data from one format to another, animations, gaming archival, re-purposing of content for various media and any other process or a combination of two or more processes connected with printing, electronic publishing and/or data conversion, on job work basis or otherwise, and also providing software solutions, consulting, technical support, training, project management services, subscription management and/or business process outsourcing for domestic and/or foreign customers, in India or abroad, through the use of internet, CDs or any other delivery mechanism.
7. To act as market research, market analysis, management and consulting organization dedicated to the computer, communications and information technology industry and to investigate and collect information including technical, market related, managerial information, know how, processes, engineering, manufacturing, operating and commercial data, plants, lay outs and blueprints useful for the preparation and submission of projects and feasibility reports, manuals, literature, forms, instructions, analysis, reports, bulletins, telephone supports, briefings and publications in print, digital and electric form and to provide for and undertake the delivery and holding of lectures, demonstrations, exhibitions, seminars, conferences and meetings in connection therewith.
8. To carry on the business of designing, creating, producing, editing, proof reading, validating, publishing, typesetting, conversion of data from one format to another, animations, gaming, archival, re-purposing of content for various media and any other process or a combination of two or more processes connected with printing, electronic publishing and/or data conversion, also on job work basis or otherwise, and also providing software solutions, consulting, online information and database access/retrieval services, technical support, training, design services, project management services, subscription management, business auxiliary services, business support



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services, intellectual property rights and/or business process outsourcing for domestic and/ or foreign customers, in India or abroad, through the use of internet, CDs or any other delivery mechanism.

9. To print, publish magazines, pamphlets, journals, diaries databases, reviews, pictorials, annuals, supplements biographies, autobiographies, books, treaties, circulars, encyclopaedias and works and publication related to the computer, communication and information technology industry.
10. To establish, promote, purchase, setup or connect with any database, net work, data and information processing centres and bureaus either of its own or franchise centre for dissemination of knowledge and information related to the computer, communications and information technology industry in various forms including print, video, CD-ROM, electronic media and digital media.
11. To buy, sell, deal in, import, export, design, install and implement any type of software and to render organisationl development services, staff development and training services and assistance in handling, establishing and operation of such software.

#### **10.2 AGGREGATION OF AUTHORISED SHARE CAPITAL**

Upon the Scheme becoming effective and with effect from the Appointed date, the authorised share capital of the Transferee Company shall automatically stand increased, without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to the Registrar of Companies, by the addition of the authorised share capital of the Transferor Company as on the Effective Date.

Consequent upon the amalgamation, the authorised share capital of the Transferee Company will be as under:



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*M. J. S.*



Particulars	Amount in ₹
Authorised Share Capital	
2,80,00,000 Equity Shares of Face Value of ₹ 10 each	28,00,00,000
<b>Total</b>	<b>28,00,00,000</b>

The Capital Clause V of the Memorandum of Association of the Transferee Company shall be as under:

*“V. The Authorised Share Capital of the Company is ₹ 28,00,00,000 (₹ Twenty Eight Crore Only) divided into 2,80,00,000 (Two Crore Eighty Lakh Only) Equity Shares of ₹ 10 (₹ Ten Only) each.*

10.3 The Memorandum of Association of the Transferee Company (relating to the main object and authorised share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended and no future resolutions under Sections 13, 14, 61, 64 and any other applicable provisions of the Companies Act, 2013 would be required to be separately passed. The Memorandum of Association and Articles of Association of the Transferee Company shall be amended as may be required to give effect to this clause.

10.4 It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be given their consent/approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under the Act.

## 11. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

With effect from the Appointed Date and upto and including the Effective Date:

11.1 The Transferor Company shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all its properties and assets for and on account of and in trust



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for the Transferee Company. The Transferor Company undertakes to hold its said assets with utmost prudence until the Effective Date.

- 11.2 The Transferor Company shall carry on its business and activities with reasonable diligence, business prudence and shall not, except in the ordinary course of business or without prior written consent of the Transferee Company, alienate, charge, mortgage, encounter or otherwise deal with or dispose of any business or part thereof.
- 11.3 All the profits or income accruing or arising to the Transferor Company or expenditure or losses arising or incurred or suffered by the Transferor Company shall for all purposes be treated and be deemed to be accrued as the income or profits or losses or expenditure, as the case may be, of the Transferee Company.
- 11.4 The Transferor Company shall not vary the terms and conditions of employment of any of its employees, except in the ordinary course of business or without the prior consent of the Transferee Company or pursuant to any pre-existing obligation undertaken by it, as the case may be, prior to the Appointed Date.
- 11.5 The Transferor Company and the Transferee Company shall be entitled, pending sanction of the Scheme, to apply to the Central/State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which may be required pursuant to this Scheme.

## **12. TREATMENT OF EMPLOYEES**

- 12.1 Upon the Scheme becoming effective, all staff, workmen and employees of the Transferor Company, who are in service as on the Effective Date shall become staff, workmen and employees of the Transferee Company, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to their employment with the Transferor Company on the Effective date. The



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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 as on the Effective Date.

12.2 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or such other Special Fund, if any, or Trusts (hereinafter collectively referred to as 'Funds') created for the benefit of the staff, workmen and employees of the Transferor Company shall, with the approval of the concerned authorities, become Funds of the Transferee Company, or shall be transferred to or merged with other similar funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such Funds or in relation to the obligation to make contributions to the said 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 Funds shall become those of the Transferee Company. It is clarified that the services of the staff, workmen and employees will be treated as having been continuous for the purpose of the said Funds.

### **13. LEGAL PROCEEDINGS**

If any suit, action, appeal or other proceeding of whatsoever nature by or against the Transferor Company is pending on the Effective Date, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of anything contained in this Scheme, but the said suit, appeal or other legal proceedings will 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.

### **14. CONTRACTS, DEEDS AND OTHER ENTITLEMENTS, ETC.**

14.1 Subject to other provisions of this Scheme, all contracts, deeds, bonds, insurance, letters of intent, undertakings, arrangements, policies, agreements and other instruments, if any,



of whatsoever nature pertaining to the Transferor Company, which is/are subsisting as on the Effective Date, shall be in full force and effect against or in favour of the Transferee Company, 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 of beneficiary thereto.

14.2 The Transferee Company and/or the Transferor Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any arrangements, confirmations or novations in order to give formal effect to the provisions of this Scheme. 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.

## **15. SAVINGS OF CONCLUDED TRANSACTIONS**

The transfer of assets, properties and liabilities under Clause 7 above and the continuance of proceedings by or against the Transferor Company under Clause 13 above shall not affect any transaction or proceedings already concluded by the Transferor Company on and after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by or on behalf of the Transferee Company.

## **16. DISSOLUTION OF THE TRANSFEROR COMPANY**

On the Scheme becoming effect, the Transferor Company shall stand dissolved automatically without winding up in accordance with the provisions.



## PART III

### GENERAL TERMS AND CONDITIONS

#### **17. APPLICATION TO THE TRIBUNAL**

The Transferee Company and the Transferor Company as may be directed by the Tribunal shall make all necessary applications and petitions, either singly or jointly, under the applicable provisions of the Act, for seeking approval of the Scheme.

#### **18. MODIFICATION OR AMENDMENT TO THE SCHEME**

The Transferee Company and the Transferor Company by their respective Board of Directors (“the Board”, which term shall include Committee thereof) may assent to/make and/ or consent to any modification(s)/amendment(s) to the Scheme or to any conditions or limitations that the Tribunal and/or any other Authority under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate, subject to approval of the Tribunal, as a result of subsequent events or otherwise by them (i.e. the Board). The Transferee Company and the Transferor Company by their respective Board are authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme, whether by reason of any directive or order of any other authorities or otherwise howsoever, arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

#### **19. CONFIDENTIALITY OF THE SCHEME**

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

- 19.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective shareholders and/or creditors of the Transferee Company and the Transferor Company as may be directed by the jurisdictional Tribunal.



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19.2 The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.

19.3 The Scheme being sanctioned by the Tribunal under the applicable provisions of the Act.

19.4 The certified copy of the Order of the Tribunal sanctioning the Scheme is filed with the jurisdictional Registrar of Companies, by the Transferee Company and the Transferor Company.

## **20. EFFECT OF NON-RECEIPT OF APPROVALS**

In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained and/or the Scheme not being sanctioned by the Tribunal or such other competent authority and/or the Order not being passed as aforesaid before within such further period or periods as may be mutually agreed upon between the Transferee Company and the Transferor Company by their respective Board of Directors (and which the Board of the companies are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation), this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specially provided in the Scheme or as may otherwise arise in law.

## **21. EXPENSES CONNECTED WITH THE SCHEME**

21.1 Save and except as provided elsewhere in the Scheme, all costs, charges, taxes including duties, levies and all other expenses including registration fee of any deed, in relation to or in connection with negotiations leading upto the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of the Scheme shall be borne and paid by the Transferee Company.



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*Abhijit*



21.2 In the event that this Scheme fails to take effect or the Scheme is revoked in terms of Clause 20 of this Scheme then, the Transferee Company and the Transferor Company shall bear their own costs and expenses incurred by them, in relation to or in connection with the Scheme.

