

April 17, 2017

The Manager,  
National Stock Exchange of India Limited  
Exchange Plaza  
Bandra Kurla Complex  
Bandra (E)  
Mumbai-400051

**NSE Symbol: 3IINFOTECH**

**Sub: Postal Ballot Notice**

Dear Sir,

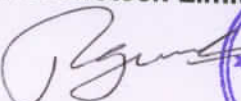
Pursuant to Regulation 30(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith (one) 1 copy of Notice of Postal Ballot which is being sent to the members for their approval.

Please acknowledge receipt of the same.

Thanking you,

Yours truly,

For 3i Infotech Limited

  
Rajeev Limaye  
Company Secretary



Encl: As above

**3i Infotech Limited**

CIN : L67120MH1993PLC074411

Tower #5, 3<sup>rd</sup> to 6<sup>th</sup> Floor

International Infotech Park

Vashi, Navi Mumbai 400 703, India.

Tel. : (+91 - 22) 6792 8000

Fax : (+91 - 22) 6792 8098

[www.3i-infotech.com](http://www.3i-infotech.com)



## 3i Infotech Limited

Corporate Identification Number (CIN): L67120MH1993PLC074411

Registered Office: Tower # 5, 3<sup>rd</sup> to 6<sup>th</sup> Floors, International Infotech Park, Vashi, Navi Mumbai - 400 703

Tel No: (91-22) 7123 8000 Fax No: (91-22) 7123 8310

E-mail: investors@3i-infotech.com Website: www.3i-infotech.com

### Notice pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014

Dear Members,

Notice is hereby given, pursuant to Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (the "Postal Ballot Rules"), seeking approval from the Members of 3i Infotech Limited (the "Company") for passing the following proposed Resolutions:

1. Renewal of the resolution passed by the Members on March 18, 2016 in relation to issue of Equity Shares against conversion of a portion of the outstanding amounts due to the DRS Lenders and ratifications of the actions taken pursuant thereto
2. Issue of Equity Shares against conversion of a portion of the outstanding amounts due to the Non-CDR Lenders.

The resolutions and the relevant explanatory statement setting out the material facts and the reasons for the resolutions are appended herewith along with a Postal Ballot form for your consideration.

The Company has, in compliance with Rule 22(5) of the Postal Ballot Rules, appointed Mr. Prakash Pandya, Partner, BNP & Associates, Company Secretaries or failing him, Mr. B. Narasimhan, Partner, BNP & Associates, Company Secretaries or failing him Mr. Keyoor Bakshi, Partner, BNP & Associates, Company Secretaries as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed on the Postal Ballot Form sent herewith and return the form duly completed in the attached self addressed postage prepaid envelope so as to reach the Scrutinizer on or before 6:00 p.m. on Sunday, May 21, 2017. In case you are exercising your vote in the Postal Ballot through e-voting, please refer the instructions for the same in the notes annexed to this Notice. The Scrutinizer will submit his report to the Company after completion of the scrutiny of votes. The results of the Postal Ballot will be announced on Wednesday, May 24, 2017. The results of the Postal Ballot will also be displayed on the website of the Company (www.3i-infotech.com) besides being communicated to the National Stock Exchange of India Limited and BSE Limited. The Resolutions will become effective on and from the date of announcement of the results.

#### RESOLUTIONS:

**Item No. 1 : Renewal of the resolution passed by the Members on March 18, 2016 in relation to issue of Equity Shares against conversion of a portion of the outstanding amounts due to the DRS Lenders and ratifications of the actions taken pursuant thereto**

**To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:**

**"RESOLVED THAT** subject to the provisions of Section 42, Section 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended (the "**Companies Act**"), the Companies Act, 1956, as amended (without reference to the provisions thereof that have ceased to have effect upon notification of sections of the Companies Act), applicable rules notified by the Central Government under the Companies Act, the Foreign Exchange Management Act, 2000 (the "**FEMA**"), as amended, including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended, and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by Government of India (the "**GOI**"), Reserve Bank of India (the "**RBI**"), and Securities and Exchange Board of India (the "**SEBI**") and/or any other competent authorities, whether in India or abroad, and including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "**SEBI Regulations**"), the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011, as amended, the enabling provisions of the Memorandum of Association and Articles of Association of the Company, the uniform listing agreement between the Company and the stock exchanges on which the Company's shares are listed, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and subject to necessary approvals, permissions, consents and sanctions of RBI and concerned statutory and other authorities and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "**Board**", which term shall include any Committee(s) and/or any of the Director(s) or person(s) authorized by the Board to exercise powers conferred by this Resolution to the extent permitted by law), Rule 13(2) (e) and (f) of Companies (Share Capital and Debentures) Rules, 2014 and the resolution passed by the Members of the Company on March 18, 2016 (the "**March Resolution**"), the consent, authority and approval of the Company be and is hereby accorded to renew the March Resolution for the purposes of issue and allotment to all the lenders of the Company including the lenders of the Company's subsidiaries and lenders of facilities guaranteed by the Company and lessors of the Company (hereinafter referred to as



the "DRS Lenders"), as mentioned in the explanatory statement attached with the said March Resolution, on a preferential basis to implement the terms of Debt Realignment Scheme, including any deviations thereto approved by relevant authorities, upto 100 Crore equity shares (the "Equity Shares"), at a price of ₹10/- per equity share as determined by the Board in accordance with the pricing guidelines prescribed under Chapter VII of the SEBI Regulations read with the Companies Act, at such time or times, in one or more tranches and on such terms and conditions and in such manner as the Board may think fit in its absolute discretion (the "Preferential Issue") and on such other terms as set out in the March Resolution."

**"RESOLVED FURTHER THAT** the Company hereby ratifies and confirms any issue and allotment of Equity Shares pursuant to the March Resolution."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitation, issuing clarifications on the offer, issue and allotment of the Equity Shares, to execute the necessary documents and enter into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue), resolving all questions of doubt that may arise in regard to the offer, issue and allotment of the Equity Shares and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the Shareholders of the Company and the decision of the Board shall be final and conclusive."

**"RESOLVED FURTHER THAT** in connection with any of the foregoing resolutions, the members of the Board and such other persons as may be authorized by the Board, on behalf of the Company, be and are hereby severally authorized to execute and deliver any and all other documents, papers and to do or cause to be done any and all acts or things as may be necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing resolutions for the Preferential Issue; and any such documents so executed and delivered or acts and things done or caused to be done shall be conclusive evidence of the authority of the Company in so doing and any document so executed and delivered or acts and things done or caused to be done prior to the date hereof are hereby ratified, confirmed and approved as the acts and deeds of the Company, as the case may be."

**Item No. 2: Issue of Equity Shares against conversion of a portion of the outstanding amounts due to the Non-CDR Lenders**

**To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:**

**"RESOLVED THAT** subject to the provisions of Section 42, Section 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended (the "Companies Act"), applicable rules notified by the Central Government under the Companies Act, the Foreign Exchange Management Act, 2000 (the "FEMA"), as amended, including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended, and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by Government of India (the "GOI"), Reserve Bank of India (the "RBI"), and Securities and Exchange Board of India (the "SEBI") and/or any other competent authorities, whether in India or abroad, and including the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011, as amended, the enabling provisions of the Memorandum of Association and Articles of Association of the Company, the uniform listing agreements between the Company and the stock exchanges on which the Company's shares are listed, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and subject to necessary approvals, permissions, consents and sanctions of RBI and concerned statutory and other authorities and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee(s) and/or any of the Director(s) or person(s) authorized by the Board to exercise powers conferred by this Resolution to the extent permitted by law), in supersession and replacement of the resolution passed by the Members of the Company on May 13, 2016, the consent, authority and approval of the Company be and is hereby accorded to the Board to create, offer, issue and allot to those lenders of the Company who are unable to participate in the Debt Restructuring Scheme (DRS) of the Company under the Corporate Debt Restructuring mechanism including the lenders of the Company's subsidiaries and lenders of facilities guaranteed by the Company and lessors of the Company ("Non-CDR Lenders") of ₹ 10/- per equity share as determined by the Board in accordance with the pricing guidelines prescribed under Chapter VII of the SEBI Regulations read with the Companies Act, on such terms and conditions and in such manner as the Board may think fit in its absolute discretion (the "Preferential Issue")."

**"RESOLVED FURTHER THAT** the Equity Shares shall be issued and allotted by the Company to the relevant Non-CDR Lenders within a period of 15 days from the date of passing of this resolution (or such other date as permitted under the SEBI Regulations), provided that where the allotment of the said Equity Shares is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of such approval (or such other date as permitted under the SEBI Regulations)."

**"RESOLVED FURTHER THAT** the "relevant date" for the purpose of calculating the price of the Equity Shares for the purposes of the Preferential Issue shall be determined in accordance with provisions of Chapter VII of the SEBI Regulations read with the Companies Act."

**"RESOLVED FURTHER THAT** the Equity Shares to be issued and allotted on preferential basis as aforesaid shall rank *pari passu* in all respects with the existing Equity Shares and shall be subject to the provisions of the Memorandum of Association and the Articles of Association of the Company."

**"RESOLVED FURTHER THAT** the Equity Shares to be issued and allotted shall be subject to lock-in as stipulated under the SEBI Regulations."



**"RESOLVED FURTHER THAT** the number of equity shares to be issued and allotted shall be subject to reconciliation between the Non-CDR Lenders and the Company."

**"RESOLVED FURTHER THAT** subject to the provisions of SEBI Regulations and other applicable laws, the Board be and is hereby authorized to decide and approve the terms and conditions of the offer, issue and allotment of the Equity Shares and vary, modify or alter any of the relevant terms and conditions, including size of the Preferential Issue to any of the Non-CDR Lenders, as it may deem expedient."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitation, issuing clarifications on the offer, issue and allotment of the Equity Shares, to execute the necessary documents and enter into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue), resolving all questions of doubt that may arise in regard to the offer, issue and allotment of the Equity Shares and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the Shareholders of the Company and the decision of the Board shall be final and conclusive."

**"RESOLVED FURTHER THAT** in connection with any of the foregoing resolutions, the members of the Board and such other persons as may be authorized by the Board, on behalf of the Company, be and are hereby severally authorized to execute and deliver any and all other documents, papers and to do or cause to be done any and all acts or things as may be necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing resolutions for the Preferential Issue; and any such documents so executed and delivered or acts and things done or caused to be done shall be conclusive evidence of the authority of the Company in so doing and any document so executed and delivered or acts and things done or caused to be done prior to the date hereof are hereby ratified, confirmed and approved as the acts and deeds of the Company, as the case may be."

**Notes:**

- (a) The explanatory statement with reasons for proposing the resolutions as stated in the Notice is annexed hereto.
- (b) The Postal Ballot Notice is being sent to all the Members whose names appear in the Register of Members / Statements of beneficial ownership maintained by the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the close of business hours on Friday, March 31, 2017.
- (c) The voting rights of the Members shall be in proportion to their shares in the total paid-up equity share capital of the Company as on Friday, March 31, 2017.
- (d) In accordance with the provisions of Section 101 of the Companies Act, 2013, as amended read with Rules 18 and 22 of the Companies (Management and Administration) Rules, 2014, this Postal Ballot Notice is being sent by e-mail to those Members who have registered their e-mail address with the Company (in respect of shares held in physical form) or with their Depository Participants (DP) (in respect of shares held in electronic form) and made available to the Company by the Depositories. Members who have not registered their e-mail address will receive this Postal Ballot Notice along with the Postal Ballot Form through Speed Post / Registered Post / Courier.
- (e) The Members holding shares in physical form are requested to notify change in their address, if any, to the Company at the Registered Office. The Members holding shares in electronic form may update such details with their respective Depository Participant(s).
- (f) In compliance with the provisions of Section 110 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 to the extent applicable and Clause 44 under Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), the Company is offering e-voting facility to all its Members as an alternate mode to exercise their right to vote. For this purpose, the Company has entered into an agreement with NSDL for facilitating remote e-voting to enable the Members to cast their votes electronically.
- (g) Kindly note that the Members can opt for only one mode of voting i.e., either by post or by e-voting. If the Members opt for e-voting, then they should not vote by post and vice versa. However, in case Members cast their vote by post and e-voting, then voting done through e-voting shall prevail and voting done by post will be treated as invalid.
- (h) In case a Member is desirous of obtaining Postal Ballot notice or form in printed form or a duplicate one, the Member may write to the Company or send an e-mail to [investors@3i-infotech.com](mailto:investors@3i-infotech.com).
- (i) The Postal Ballot Notice has been uploaded on the Company's website viz., [www.3i-infotech.com](http://www.3i-infotech.com) and [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- (j) All documents referred to in this Postal Ballot Notice and Explanatory Statement setting out material facts are open for inspection by the Members at the Registered Office of the Company between 10:30 a.m. and 12:30 p.m. on all working days (except Saturdays, Sundays and National Holidays), from the date hereof up to Sunday, May 21, 2017.
- (k) **Instructions for Voting:**

**A. Through Physical Postal Ballot Form:**

1. A Member desiring to exercise vote by Postal Ballot shall complete the enclosed Postal Ballot Form with assent (for) or dissent (against) and send the duly signed form to the Scrutinizer in the enclosed self-addressed postage prepaid Business Reply Envelope so as to reach the Scrutinizer before 6:00 p.m. on Sunday, May 21, 2017. Any Postal Ballot Form received after the said date shall be treated as if the reply from the Member(s) has not been received.



2. Postage charges will be borne and paid by the Company. However, in case a Member sends the Postal Ballot Form by courier or registered post or delivers it in person at his expense, such Postal Ballot Form will also be accepted.
3. No other form or photocopy of the Postal Ballot Form will be permitted/ accepted.

**B. Through E-Voting:**

In case of Members receiving Postal Ballot intimation by e-mail:

1. Open e-mail received from NSDL and open PDF file viz. "3i-Infotech e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
2. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>.
3. Click on Shareholder – Login.
4. Put user ID and password as initial password noted in step 1 above. Click Login.
5. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and to take utmost care to keep your password confidential.
6. In case, you have already registered with NSDL for e-voting before and have an existing password corresponding to this user ID, ignore points 1, 4 and 5 above and login with your user ID.
7. Home page of e-voting opens. Click on e-voting: Active E-voting Cycles.
8. Select "EVEN" (E Voting Event Number) of 3i Infotech Limited.
9. Now you are ready for e-voting as Cast Vote page opens.
10. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
11. Upon confirmation, the message "Vote cast successfully" will be displayed.
12. Please note that once you have voted on the resolution and clicked on "Submit" and "Confirm", you will not be allowed to modify your vote.
13. Institutional Members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPEG Format) of the relevant Board Resolution/Authority letter, etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail to [scrutinizer3iinfotechpb@gmail.com](mailto:scrutinizer3iinfotechpb@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
14. You can also update your e-mail ID in the user profile details of the folio which may be used for sending future communication(s).

In case of Members receiving Postal Ballot Form by Speed Post / Registered Post / Courier:

Initial password is provided as below at the bottom of the Postal Ballot Form to be used to exercise your vote in respect of the proposed resolutions:

| EVEN<br>(E-Voting Event Number) | USER ID | PASSWORD |
|---------------------------------|---------|----------|
|                                 |         |          |

- (l) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and the e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- (m) The e-voting period will commence on Saturday, April 22, 2017 (9:00 a.m.) and end on Sunday, May 21, 2017 (6:00 p.m.) (both days inclusive). During this period, Members holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall be disabled by NSDL thereafter.

By Order of the Board

Sd/-  
Rajeev Limaye  
Company Secretary

Navi Mumbai  
April 6, 2017



## Explanatory Statement and reasons for proposing the Resolutions as stated in the Notice

(Statement setting out material facts under Section 102 of the Companies Act, 2013)

### Item No. 1

Pursuant to the resolution passed by the Members on March 18, 2016 ("**March Resolution**") under Section 62(1)(c) of the Companies Act, 2013 and other applicable legal provisions, approval of the Members was granted to issue equity shares on a preferential basis to all its DRS Lenders.

In terms of Rule 13(2)(e) and (f) of the Companies (Share Capital and Debentures) Rules, 2014 read with Section 42 and 62 of the Companies Act, 2013, the allotment of shares should be completed within a period of one year of the special resolution passed by the shareholders approving such issue and allotment of shares and if not, then another special resolution shall be passed.

Since the time period of one year has elapsed since the date of the March Resolution passed by the Members, approval of the Members through Postal Ballot is now being sought for Resolution set out in Item No. 1, which aims at renewing the March Resolution as well as ratification of the actions taken and allotment of equity shares made pursuant to the March Resolution.

This Resolution and the corresponding explanatory statement are to be read in conjunction with the March Resolution along with the explanatory statement for the March Resolution given in the Postal Ballot Notice dated February 5, 2016 issued to the Members.

Since this Resolution is being passed only to renew the March Resolution which has already been passed by the Members, all the disclosures appearing in the explanatory statement to the March Resolution, including the Relevant Date viz. April 27, 2016, the date of approval of the CDR Empowered Group remain the same and hence, are not being reproduced here for the sake of brevity. For details of the said disclosures, Members may refer the explanatory statement to Item No. 2 of the Postal Ballot Notice dated February 5, 2016, which is available on the website of the Company.

Your Directors recommend passing of the above Resolution set out in Item No. 1 as a Special Resolution.

None of the Directors, Key Managerial Personnel (KMP) and their relatives are in any way concerned or interested in the said Resolution, except to the extent of his/her holding of the shares or stock options in the Company.

### Item No. 2

Vide resolutions contained in the Postal Ballot Notice dated February 5, 2016, which were approved by the Members on March 18, 2016 (the "**Original Resolution**"), the shareholders have *inter alia* accorded their approval for restructuring of the Company's debts and allotment of Equity Shares to lenders against conversion of a portion of their outstanding amounts due under a Debt Realignment Scheme (DRS) package.

In terms of the Original Resolution, it was contemplated that those lenders (including lenders of the Company's subsidiaries, lenders of facilities guaranteed by the Company and lessors) that are currently not a part of the Corporate Debt Restructuring (CDR) mechanism will join the CDR mechanism for the purpose of implementation of the DRS. However, it was later understood that some of the lenders may not join the CDR mechanism for various reasons (hereinafter referred to as the "Non-CDR Lenders"). Since the regulatory requirements for allotment of equity shares are different for CDR Lenders and Non-CDR Lenders and the Original Resolution did not cover this contingency, the Company sought a fresh approval of the shareholders vide Postal Ballot Notice dated March 28, 2016 for allotment of Equity Shares to the Non-CDR Lenders. The said resolution was approved by the Shareholders and the results of the postal ballot were declared on May 13, 2016 (the "**Original Non-CDR Resolution**"). The Original Non-CDR Resolution was to be read with the Original Resolution and applied only in respect of issue of Equity Shares to the Non-CDR Lenders.

It was also mentioned in the Letter of Approval issued by the CDR Cell on June 14, 2016, based on the approval of the CDR Empowered Group granted at its meeting held on April 27, 2016, that in case of the lenders who have not given their acceptance for the DRS package, they shall have the option to negotiate the terms of restructuring bilaterally with the Company in such a way that the terms of restructuring are not more favourable than the terms applicable to the CDR Lenders.

Since the passing of the Original Non-CDR Resolution, some of the proposed allottees mentioned in the Original Non-CDR Resolution have opted to join the CDR mechanism. The Company has also allotted shares to them under the CDR mechanism as per the Original Resolution. A few other proposed allottees mentioned in the Original Non-CDR Resolution have expressed their inability to hold equity shares of the Company due to certain restrictions placed on them by their internal norms or regulations.

As a consequence of these developments, no allotments have been made so far pursuant to the Original Non-CDR Resolution.

Further, in terms of Rule 13(2)(e) and (f) of the Companies (Share Capital and Debentures) Rules, 2014 read with Section 42 and 62 of the Companies Act, 2013, the allotment of shares should be completed within a period of one year of the special resolution passed by the shareholders approving such issue and allotment of shares and if not, then another special resolution shall be passed.

In view of the facts mentioned above and in the interest of streamlining the proposed allotments and providing clarity to the Members on the identity of Non-CDR Lenders who are most likely to be allotted shares under the Non-CDR route (after some eliminations in the light of circumstances mentioned above), the Company proposes to seek a fresh approval of the Members for allotment of shares to Non-CDR Lenders (the "**Revised Non-CDR Resolution**").

This will be done by superseding and replacing the Original Non-CDR Resolution dated May 13, 2016 with the present one, and incorporating the changes in list of proposed allottees that have taken place since the passing of the Original Non-CDR Resolution in the Revised Non-CDR Resolution. The revised list of proposed allottees is as mentioned under Sr. No. i) herein below.



Equity Shares shall be issued and allotted by the Company to the relevant Non-CDR Lenders within a period of 15 days from the date of passing of this resolution (or such other date as permitted under the SEBI Regulations), provided that where the allotment of the said Equity Shares is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of such approval (or such other date as permitted under the SEBI Regulations).

The said issuance of equity shares shall be in accordance with the provisions of Chapter VII - "Preferential Issue" of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time ("SEBI Regulations") and other applicable laws in this regard.

The following details of the proposed preferential issue of equity shares are disclosed in accordance with the provisions of Companies Act, 2013 read with Rule 13 (2) of Companies (Share Capital and Debentures) Rules, 2014 and SEBI Regulations:

- The Object of the Preferential Issue:**  
The object of the preferential issue is realignment of outstanding exposures of the Non-CDR Lenders of the Company, by issuing equity shares at a price as determined in accordance with the SEBI Regulations.
- The total number of shares/securities to be issued:**  
Upto 6,50,00,096 equity shares would be issued. This proposed number is subject to reconciliation with each Non-CDR Lender.
- The Price at which the allotment is proposed:**  
The equity shares would be allotted at a price of ₹10/- per equity share as determined in accordance with Regulation 76 of the SEBI Regulations, read with the Companies Act, 2013.
- The basis on which the price for issue of shares has been arrived at along with the Valuation Report of Registered Valuer:**  
The basis for arriving at the price for issue of shares is determined as per the SEBI Regulations and not as per the Valuation Report of Registered Valuer as per proviso of Rule 13 (1) of Companies (Share Capital and Debenture) Rules, 2014.
- Relevant Date with reference to which the price has been arrived at:**  
In terms of Clause 71(a) of Chapter VII of the SEBI Regulations, the relevant date for the pricing of equity shares shall be the date 30 (thirty) days prior to the date of passing of the Special Resolution.
- Class of persons to whom the allotment is proposed to be made:**  
The allotment is proposed to be made to all the Non-CDR Lenders of the Company.
- The intention or proposal of the Promoters, Directors and Key Managerial Personnel of the Company to subscribe to the proposed preferential offer:**  
None of the Promoters, Directors or Key Managerial Personnel will be issued any equity shares.
- Proposed time within which the Preferential Issue shall be completed:**  
The equity shares will be allotted within the time limit specified under the SEBI Regulations.
- The names of the proposed allottees and the percentage of post preferential issue capital that may be held by them:**  
The allotment is proposed to be made to the Non-CDR Lenders of the Company as mentioned below, viz. Kotak Mahindra Bank Limited, OPC Asset Solutions Private Limited, Rentworks India Private Limited, Tata Capital Financial Services Limited, DCB Bank Limited and SBI Global Factors Limited.

None of the proposed allottees have any existing shareholding in the Company.  
After the preferential issue, the Non-CDR Lenders may collectively hold upto 5.20% of the paid-up capital of the Company. The number of shares proposed to be issued to each Non-CDR Lender is subject to reconciliation between the Company and the Non-CDR Lender. The approximate post-allotment shareholding percentage of each proposed allottee calculated on the basis of a broad estimate of the number of shares proposed to be allotted to each of them would be as under:

| Sr. No. | Name of Lender                          | Post-preferential allotment holding |              |
|---------|-----------------------------------------|-------------------------------------|--------------|
|         |                                         | No. of Shares                       | % of holding |
| 1       | Kotak Mahindra Bank Limited             | 38,96,698                           | 0.31         |
| 2       | OPC Asset Solutions Private Limited     | 64,12,859                           | 0.51         |
| 3       | Rentworks India Private Limited         | 1,00,95,781                         | 0.81         |
| 4       | Tata Capital Financial Services Limited | 2,67,72,000                         | 2.14         |
| 5       | DCB Bank Limited                        | 90,06,800                           | 0.72         |
| 6       | SBI Global Factors Limited              | 88,15,958                           | 0.71         |
|         | <b>Total</b>                            | <b>6,50,00,096</b>                  | <b>5.20</b>  |

It is clarified that if any Non-CDR Lender agrees to participate in the CDR mechanism, then the Equity Shares will be issued to such lenders in terms of the Original Resolution.

- Change in control, if any, in the Company that would occur consequent to the preferential issue:**  
The Company believes that the allotment proposed to be made to the Non-CDR Lenders will not trigger any change in control as post allotment, no individual Non-CDR Lender will hold more than 25% equity shares of the Company. Further, the Company is a professionally run, board controlled company and will continue to be so after the allotment of equity shares to the Non-CDR Lenders.



- k) The number of persons to whom allotment on a preferential basis is already made during the year in terms of securities as well as price:

During the year, the Company has allotted 39,36,44,696 equity shares of ₹10/- each at par value to the following lenders on a preferential basis in their capacity as CDR Lenders of the Company:

| Sr. No.      | Name of the Allottee                                  | Number of Shares    | Date of Allotment  |
|--------------|-------------------------------------------------------|---------------------|--------------------|
| 1.           | Allahabad Bank                                        | 3,49,82,000         | September 29, 2016 |
| 2.           | Axis Bank Limited                                     | 1,91,29,505         | September 29, 2016 |
| 3.           | Central Bank of India                                 | 41,42,299           | September 29, 2016 |
| 4.           | DBS Bank Limited                                      | 2,99,72,295         | September 29, 2016 |
| 5.           | HDFC Bank Limited                                     | 2,06,26,000         | September 29, 2016 |
| 6.           | IDBI Bank Limited                                     | 10,32,81,773        | September 29, 2016 |
| 7.           | RBL Bank Limited (formerly The Ratnakar Bank Limited) | 68,56,623           | September 29, 2016 |
| 8.           | Yes Bank Limited                                      | 1,13,42,780         | September 29, 2016 |
| 9.           | L&T Finance Limited                                   | 24,26,383           | September 29, 2016 |
| 10.          | Reliance Capital Limited                              | 2,46,80,693         | September 29, 2016 |
| 11.          | Standard Chartered Bank                               | 10,82,89,063        | January 2, 2017    |
| 12.          | Bank of India                                         | 1,25,80,000         | March 31, 2017     |
| 13.          | United Bank of India                                  | 39,47,282           | March 31, 2017     |
| 14.          | The Jammu & Kashmir Bank Ltd                          | 1,13,88,000         | March 31, 2017     |
| <b>Total</b> |                                                       | <b>39,36,44,696</b> |                    |

- l) The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:

The allotment would be done as per the terms of restructuring agreed with the Non-CDR Lenders.

- m) The pre and post issue Shareholding pattern of the Company (before and after the proposed preferential issue):

| Sr. No.  | Name of the category                                                          | Pre-issue as on March 31, 2017 |               | Post Issue            |            |
|----------|-------------------------------------------------------------------------------|--------------------------------|---------------|-----------------------|------------|
|          |                                                                               | No. of shares held             | %             | No. of shares held    | %          |
| <b>A</b> | <b>Promoters' Holding:</b>                                                    |                                |               |                       |            |
| <b>1</b> | <b>Indian</b>                                                                 |                                |               |                       |            |
|          | Trusts - IDBI Trusteeship Services Limited (ICICI Strategic Investments Fund) | Nil                            | Nil           | Nil                   | Nil        |
|          | Individual                                                                    | Nil                            | Nil           | Nil                   | Nil        |
|          | Bodies Corporate                                                              | Nil                            | Nil           | Nil                   | Nil        |
|          | <b>Sub-Total</b>                                                              | <b>Nil</b>                     | <b>Nil</b>    | <b>Nil</b>            | <b>Nil</b> |
| <b>2</b> | <b>Foreign Promoters</b>                                                      | <b>Nil</b>                     | <b>Nil</b>    | <b>Nil</b>            | <b>Nil</b> |
|          | <b>Sub Total (A)</b>                                                          | <b>Nil</b>                     | <b>Nil</b>    | <b>Nil</b>            | <b>Nil</b> |
| <b>B</b> | <b>Non-Promoters' holding:</b>                                                |                                |               |                       |            |
| <b>1</b> | <b>Institutional Investors</b>                                                | 66,28,57,809                   | 56.00         | 67,57,61,307          | 54.12      |
| <b>2</b> | <b>Non-Institution:</b>                                                       |                                |               |                       |            |
|          | Private Corporate Bodies                                                      | 10,64,55,076                   | 9.00          | 15,85,51,674          | 12.70      |
|          | Directors and Relatives                                                       | 1,920                          | 0.00          | 1,920                 | 0.00       |
|          | Indian Public                                                                 | 34,33,85,769                   | 29.01         | 34,33,85,769          | 27.50      |
|          | Others (Including NRIs)                                                       | 7,09,50,829                    | 5.99          | 7,09,50,829           | 5.68       |
|          | <b>Sub -Total (B)</b>                                                         | <b>1,18,36,51,403</b>          | <b>100.00</b> | <b>1,24,86,51,499</b> | <b>100</b> |
|          | <b>Grand Total</b>                                                            | <b>1,18,36,51,403</b>          | <b>100.00</b> | <b>1,24,86,51,499</b> | <b>100</b> |

- n) The identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees:

Details of the natural person(s) who are the beneficial owners of the proposed allottees and/or who ultimately control the proposed allottee(s) are given as under in terms of Regulation 73(1)(e) of SEBI Regulations –

- (i) Rentworks India Private Limited ("Rentworks")

Rentworks is a wholly-owned subsidiary of Rentworks Mauritius Limited ("Rentworks Mauritius"). The ultimate beneficial owners of Rentworks Mauritius are Mr. John Alan Kinghorn, Mr. Robert Medway, Mr. Glenn Goodall, Mr. Alan Van Niekerk and Mr. Brian William Holmes. Out of the beneficial owners, only Mr. John Alan Kinghorn holds more than 25% stake in Rentworks Mauritius.

- (ii) OPC Asset Solutions Private Limited ("OPC")

OPC is owned by Winvest Holdings (India) Private Limited ("Winvest"). The ultimate beneficial owners of Winvest are Mr. Loney Antony, Mr. C. Shyam Sunder, Mr. R. Raghunathan, Mr. R. Venkatesan and Mr. Parag Kapasi.



- (iii) SBI Global Factors Limited ("SBIGFL")  
SBIGFL is a subsidiary of State Bank of India ("SBI"). SBI, being a bank itself, we understand that no further disclosure is required in terms of the proviso\* to Regulation 73(1)(e) of SEBI Regulations.
- (iv) DCB Bank Limited ("DCB")  
DCB being a bank itself, we understand that no further disclosure is required in terms of the proviso\* to Regulation 73(1)(e) of SEBI Regulations.
- (v) Kotak Mahindra Bank Limited ("KMBL")  
KMBL being a bank itself, we understand that no further disclosure is required in terms of the proviso\* to Regulation 73(1)(e) of SEBI Regulations.
- (vi) Tata Capital Financial Services Limited ("TCFSL")  
TCFSL has its debentures listed on NSE and BSE and is therefore, a "listed company" as defined under Section 2 (52) of the Companies Act, 2013 and under Regulation 2(p) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence, we understand that no further disclosure is required in terms of the proviso\* to Regulation 73(1)(e) of SEBI Regulations.

\*As per the proviso to Regulation 73(1)(e) of the SEBI Regulations, if there is a listed company, mutual fund, bank or insurance company in the chain of ownership of the proposed allottees, no further disclosure is required.

- o) The Company hereby undertakes, as per the requirement of Regulation 73(1)(f) of SEBI Regulations, that the price of the equity shares shall be re-computed in terms of Regulation 76B of the said regulations where the Company is required to do so.
- p) The Company hereby undertakes that if the amount payable on account of the re-computation of price, if applicable, is not paid within the time stipulated in SEBI Regulations, the equity shares shall continue to be locked-in till the time such amount is paid by the allottees.
- q) Disclosures, similar to disclosures specified in Part G of Schedule VIII of SEBI Regulations, if the issuer or any of its promoters or directors is a willful defaulter:  
None of the Issuer or its promoters or directors is a willful defaulter.

r) **Certificate from Statutory Auditor:**

As per Regulation 73(2) of the SEBI Regulations, a certificate issued by the Statutory Auditor certifying that the minimum issue price for the proposed preferential issue is ₹10/- for the relevant date of Monday, April 24, 2017 based on the pricing formula prescribed under Regulation 76 of Chapter VII of SEBI Regulations and that the proposed preferential issue is being made in accordance with the requirements of the SEBI Regulations shall be open for inspection by the Members at the Registered Office of the Company between 10:30 a.m. and 12:30 p.m. on all working days (except Saturdays, Sundays and National Holidays), from the date mentioned hereinabove up to Sunday, May 21, 2017.

s) **Lock-in Period:**

The equity shares allotted to the Non-CDR Lenders shall be locked-in as per the provisions of the SEBI Regulations.

The Company will ensure compliance with all applicable laws and regulations including the SEBI Regulations at the time of allotment of equity shares of the Company.

The equity shares allotted or arising out of issuance and allotment of equity shares would be listed on BSE Limited and National Stock Exchange of India Limited. The issue and allotment would be subject to the availability of regulatory approvals, if any. As and when the Board does take a decision on matters on which it has the discretion, necessary disclosures will be made to the Stock Exchanges as may be required under the provisions of the SEBI LODR.

As per provisions of Section 62 of the Companies Act, 2013, allotment of shares to persons other than existing shareholders requires consent of the Shareholders by a Special Resolution. Since the Special Resolutions for the issuance of equity shares proposed in the Notice may result in the issue of shares of the Company to persons other than Members of the Company, the consent of the Members is being sought pursuant to the provisions of Section 62 and other applicable provisions of the Companies Act, 2013 read with rules thereunder and in terms of the provisions of the Uniform Listing Agreement between the Company and the Stock Exchanges where the equity shares of the Company are listed.

Hence, approval of the Members through Postal Ballot is being sought for the above mentioned resolution.

Your Directors recommend passing of the above Resolution set out in Item No. 2 as a Special Resolution.

None of the Directors, Key Managerial Personnel (KMP) and their relatives are in any way concerned or interested in the said Resolution, except to the extent of his/her holding of the shares or stock options in the Company.

By Order of the Board

Sd/-  
Rajeev Limaye  
Company Secretary

Navi Mumbai  
April 6, 2017