



January 16, 2021

Market Control Securities Operations Group  
Singapore Exchange Securities Trading Limited  
2 Shenton Way  
#19-00 SGX Centre 1  
Singapore 068804.

### Announcement

Dear Sir,

With reference to captioned subject, we enclose herewith a copy of the Postal Ballot Notice dated January 12, 2021 ("Postal Ballot Notice") which is being sent to the Members of the Company.

The Postal Ballot Notice, along with other relevant documents, are being sent to all the equity shareholders whose names appear in the register of members/beneficial owners received from National Securities Depository Limited ("NSDL") as on Friday, January 8, 2021 ("Cut- off date"), seeking their approval as set out in the Postal Ballot Notice.

The Company has engaged the services of NSDL for the purpose of providing e-voting facility to all its Members. The voting through postal ballot and through e-voting will commence from Wednesday, January 20, 2021, (9:00 A.M. IST) and shall end on Sunday, February 28, 2021 (5:00 P.M. IST) (both days inclusive). The results of the postal ballot will be announced on Tuesday, March 2, 2021 at 5:00 p.m.

The copy of the Postal Ballot Notice will also be made available on the website of the Company i.e. [www-3i-infotech.com](http://www-3i-infotech.com).

This is for your information and records.

Thanking you,

Yours faithfully,

**For 3i Infotech Limited**

RAJEEV  
MADHAV  
LIMAYE

**Rajeev Limaye**  
**Company Secretary**

Digitally signed by RAJEEV MADHAV LIMAYE  
DN: cn=RAJEEV MADHAV LIMAYE, o=3i Infotech Limited, email=rajeev.limaye@3iinfotech.com, c=IN  
Reason: I am the signer  
Unique Identifier: 82C20A0420A14A208B9  
120F20A0420A20A14A208B9  
2020.01.16 11:54:41 +05'30'

3i Infotech Limited

CIN: L67120MH1993PLC074411

T: +91 22 7123 8000 F: +91 22 7123 8310 W: [www.3i-infotech.com](http://www.3i-infotech.com)

Regd Off: Tower # 5, 3<sup>rd</sup> to 6<sup>th</sup> Floors, International Infotech Park, Vashi, Navi Mumbai – 400703, India



**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, Maharashtra, India

**Tel No:** (91-22) 7123 8000 **E-mail:** [investors@3i-infotech.com](mailto:investors@3i-infotech.com)

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

**NOTICE OF POSTAL BALLOT**

**[Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014]**

Dear Member(s),

Notice of postal ballot ("**Notice**") is hereby given pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("**Act**") read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (including any amendment(s), statutory modification(s) and/or re-enactment thereof for the time being in force) ("**Rules**") and pursuant to Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR**") and such other applicable laws and regulations, that the resolution annexed hereunder is proposed to be passed by the members of the Company ("**Members**") by way of postal ballot including through remote electronic voting ("**e-voting**"). The Explanatory Statement pursuant to Section 102 of the Act, setting out the material facts and reasons for the proposed resolution is appended below for consideration of the members.

Due to COVID-19 outbreak, the Ministry of Corporate Affairs, Government of India ("**MCA**") vide its General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020 and General Circular No. 39/2020 dated December 31, 2020 ("**MCA Circulars**") has prescribed the process for convening of extraordinary general meetings and passing of resolutions through postal ballot till June 30, 2021 or till such further orders, whichever is earlier. Pursuant to the said MCA Circulars, companies have been advised to adhere to the social distancing norms laid down by the Government of India and take all decisions which require the approval of the members, other than items of ordinary business or business where any person has a right to be heard, through the mechanism of postal ballot / e-voting in accordance with the provisions of the Act till June 30, 2021 or till further orders, whichever is earlier. The MCA Circulars further provide that on account of difficulties faced by the companies in dispatch of physical postal ballot notice to the members during the lockdown, the communication of assent / dissent of the members in the postal ballot will take place only through e-voting. The requirements provided under Rule 20 of the Rules relating to e-voting shall be applicable *mutatis mutandis* for passing of resolutions through postal ballot.

This Notice is accordingly being issued in compliance with the said MCA Circulars. This Notice will only be sent through email to all the Members who have registered their email addresses with the Company or depository / depository participants and the physical Notice (along with postal ballot forms) and pre-paid business envelope through post will not be sent to the Members for this postal ballot. The communication of assent / dissent of the Members will take place only through the remote e-voting system.

For voting through electronic means as per the facilities arranged by the Company, Members are requested to read the instructions in the Notes under the section 'Voting through Electronic Means' of this Notice.



The Company has, in compliance with Rule 22 (5) of the Rules, appointed Mr. Avinash Bagul, Partner, BNP & Associates, or failing him, Mr. K. Venkataraman, Associate Partner, BNP & Associates, Practicing Company Secretaries, as Scrutinizer for conducting the postal ballot in a fair and transparent manner. The Scrutinizer will submit his report to the Chairman of the Company or in his absence to any other person authorised by the Chairman. The result of the postal ballot will be announced on Tuesday, March 2, 2021 at 5:00 p.m. and will be displayed at the Company's website [www.3i-infotech.com](http://www.3i-infotech.com), besides communicating to the stock exchanges and depositories. The last date for receipt of votes vide e-voting i.e., Sunday, February 28, 2021 shall be deemed to be the date of passing of the resolutions, if passed by requisite majority in accordance with Secretarial Standard-2 on General Meetings.

## RESOLUTION

### Item no. 1 – Approval for sale and transfer of software products business of the Company and its subsidiaries

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 180(1)(a), Section 110 and other applicable provisions, if any, of the Companies Act, 2013 and the relevant rules made thereunder (including any statutory modification or re-enactment thereof, for the time being in force), the enabling provisions in the Articles of Association of the Company, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI LODR**”), and all other provisions of all other applicable laws, and subject to such approvals, sanctions, consents, registrations and permissions, as may be required, the consent of the Members of the Company, be and is hereby accorded to the Board of Directors of the Company (hereinafter referred as the “**Board**” which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution) for transfer, sale, assignment and delivery of: (A) the software product business (being the business of designing, developing, owning, customizing, implementing, upgrading, marketing, distributing, licensing, servicing and maintaining software products relating to the banking, enterprise resource planning (ERP), insurance, anti-money laundering and investment management sectors) (“**Product Business**”) along with the respective assets and liabilities (including employees, contracts, intellectual property, records, etc.) carried on by the Company and its subsidiaries in India and across the world to Azentio Software Private Limited, India, Azentio Software Private Limited, Singapore (“**Azentio Singapore**”) and Azentio Singapore’s subsidiaries in the relevant jurisdictions (collectively “**Azentio**”), as a going concern and on a “slump sale” (as defined under section 2(42C) of the Income Tax Act, 1961) basis, on an “as is where is” basis, without values being assigned to individual assets and liabilities; and (B) the Company’s intellectual property rights relating solely to the Product Business outside India, on an “as is where is” basis to Azentio Singapore; with effect from such date and on such terms and conditions, and with such modifications as may be required, as the Board may deem fit and appropriate in the interest of the Company, for an aggregate consideration of INR 1,000,20,00,000 (Indian Rupees One Thousand crores twenty lakhs), subject to adjustments, if any, in the following manner:

| SELLER                                                                                                                                    | CONSIDERATION (INR) |
|-------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| 3i Infotech Limited (consideration under business transfer agreement for sale of Product Business in India)                               | 286,00,00,000       |
| 3i Infotech Limited (for sale of intellectual property rights relating solely to the Product Business outside India to Azentio Singapore) | 356,00,00,000       |
| 3i Infotech (Middle East) FZ LLC (consideration under business transfer agreement for sale of Product Business)                           | 260,00,00,000       |



| SELLER                                                                                                                                                                                                                                                      | CONSIDERATION (INR)    |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| Offshore subsidiaries of 3i Infotech in Saudi Arabia, Thailand, United Kingdom, Malaysia, United States of America, Kenya and Singapore (consideration under business transfer agreement for sale of Product Business in respective offshore jurisdictions) | 98,20,00,000           |
| <b>TOTAL</b>                                                                                                                                                                                                                                                | <b>1,000,20,00,000</b> |

The above is subject to adjustments, if any, with effect from such date and on such terms and conditions, and with such modifications as may be required, as the Board may deem fit and appropriate in the interest of the Company in accordance with the transaction documents.

**RESOLVED FURTHER THAT**, the Board be and is hereby authorised to do and perform or cause to be done all such acts, deeds, matters and things, including actions which may have been taken, as may be necessary, or deemed necessary or incidental thereto, to effect, (A) the sale and transfer of the Product Business to Azentio, (B) the sale of the Company's intellectual property rights relating solely to the Product Business outside India to Azentio Software Private Limited, Singapore; including (i) to finalize, vary and settle the terms and conditions of the sale and transfer of the transactions mentioned in (A) and (B) above; (ii) settle and finalise all issues that may arise in this regard, without further referring to the members of the Company; (iii) to negotiate and finalize the business transfer agreement, transition services agreement, escrow agreement, conveyance deeds, and/ or any other transaction documents (including providing such representations, warranties, indemnities and covenants and agreeing to price adjustments as may be agreed); (iv) to execute, deliver and perform such business transfer agreement, transition services agreement, escrow agreement, conveyance deeds, other contracts, deeds, undertakings and other documents and subsequent modifications thereto; (v) to file applications and make representations to seek the requisite approvals in respect thereof from the relevant government authorities and third parties, including lenders, lessors and customers of the Company; and (vi) to take all necessary steps in the matter as it may in its absolute discretion and in the best interests of the Company deem necessary, desirable or expedient, to give effect to the above resolution.

**RESOLVED FURTHER THAT**, the Board be and is hereby authorised to delegate all or any of the powers or authorities herein conferred by this resolution, to any Director(s) or to any other official of the Company or to any Committee of Directors or any other Officer(s)/ Authorized Representative(s) of the Company or to engage any advisor, consultant, agent or intermediary, as may be deemed necessary to give effect to this resolution."

**By Order of the Board**

**Registered Office:**

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

**Sd/-**

**Rajeev Limaye**

**Company Secretary**

Place: Navi Mumbai  
Date: January 12, 2021



## NOTES:

The explanatory statement pursuant to Section 102 of the Companies Act, 2013 (the “Act”) containing reasons for proposing the resolutions as stated in the Notice is annexed hereto.

### 1. General instructions for accessing and participating in the Postal Ballot and voting through electronic means:

- a) In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular no. 39/2020 dated December 31, 2020 read with circulars dated September 28, 2020, May 5, 2020, April 13, 2020 and April 8, 2020 (collectively referred as “MCA Circulars”) and SEBI circular dated May 12, 2020 permitted Companies to convene Extraordinary General Meetings (EGM) through the mechanism of postal ballot, without physical presence of the Members at a common venue, subject to compliance of various conditions mentioned therein. In compliance with the provisions of the Companies Act, 2013 (the “Act”) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”), the approval of the Members for the abovementioned resolution is sought through postal ballot.
- 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, January 8, 2021.
- 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 the cut-off date i.e. Friday, January 8, 2021. Any recipient of the Postal Ballot Notice who was not a Member of the Company as on the cut-off date should treat this Postal Ballot Notice for information purpose only.
- d) Members are informed that in case of joint holders, only such joint holder whose name stands first in the Register of Members of the Company / Register of beneficial owners as on cut-off date as received from National Securities Depository Limited (“NSDL”) /Central Depository Services (India) Limited (“CDSL”) (collectively referred to as “Depositories”) in respect of such joint holding will be entitled to vote.
- e) In line with the MCA Circulars, the Postal Ballot Notice is being sent only by electronic mode to those members whose e-mail addresses are registered with the Company/Depositories. Members may please note that the Postal Ballot Notice will also be available on the Company’s website at [www.3i-infotech.com](http://www.3i-infotech.com) and websites of stock exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.
- f) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) from time to time, Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) and Regulation 44 of SEBI LODR read with MCA circulars, the Company has provided the facility to the Members to exercise their votes electronically to vote on the resolutions through the e-voting service facility arranged by NSDL. The instructions for e-voting are provided as part of this Postal Ballot Notice.
- g) The relevant documents referred to in the Postal Ballot notice and the explanatory statement shall be available for inspection at the Registered Office of the Company for inspection by the Members



on all working days between 10:00 A.M. (IST) to 1:00 P.M. (IST), from the date of dispatch of the Notice up to the last date e-voting, i.e. Sunday, February 28, 2021.

- h) We urge members to support our commitment to environmental protection by choosing to receive the company's communication through email. The Members holding shares in electronic form who have not registered their e-mail address are requested to register the same with their concerned Depository Participant for this purpose and for receiving all such communications from the Company. Members holding shares in physical form may write to the Registrar and Share Transfer Agent.
- i) Institutional Members (i.e. other than individuals, HUF's, NRI's 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).
- j) The Company is a SEBI Registered, Category I Share Transfer Agent and handles all Registrar and Transfer Agents' work in-house. The Company has adequate infrastructure to service its Shareholders.
- k) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- l) To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
- m) Resolutions passed by the Members through Postal Ballot are deemed to have been passed as if they have been passed at the General Meeting of the Shareholders.

## **2. Instructions for Members for Remote e-voting are as under:**

- a) The e-voting period will commence at 9:00 am (IST) on Wednesday, January 20, 2021 and end at 5:00 pm (IST) on Sunday, February 28, 2021. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., Friday, January 8, 2021 may cast their vote by e-voting. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently.
- b) The details of the process and manner for remote e-voting are explained herein below:  
Step 1: Log-in to NSDL e-voting system at <https://www.evoting.nsdl.com/>  
Step 2: Cast your vote electronically on NSDL e-voting system.

Details on Step 1 are mentioned below:

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



- I. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- II. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholders/Members’ section.
- III. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2, i.e. Cast your vote electronically.*

IV. Your User ID details are given below:

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is                                                                                                                                        |
|----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| a) For Members who hold shares in demat account with NSDL.     | 8 Character DP ID followed by 8 Digit Client ID<br>For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12***** |
| b) For Members who hold shares in demat account with CDSL.     | 16 Digit Beneficiary ID<br>For example if your Beneficiary ID is 12***** then your user ID is 12*****                                                  |
| c) For Members holding shares in Physical Form.                | EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 115041 then user ID is 101456001*** |

V. Your password details are given below:

- i. If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- ii. If you are using NSDL e-voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- iii. How to retrieve your ‘initial password’?
  - a) If your email ID is registered in your demat account or with the Company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
  - b) If your email ID is not registered, please follow steps mentioned below in process for those members whose email ids are not registered.

VI. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password click on:

- i. “Forgot User Details/Password?” (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com/).
- ii. “Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com/).



- iii. If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - iv. Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
- VII. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
- VIII. Now, you will have to click on “Login” button.
- IX. After you click on the “Login” button, Home page of e-Voting will open.
- Details on Step 2 are given below:
- How to cast your vote electronically on NSDL e-voting system?
- I. After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.
  - II. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
  - III. Select “EVEN” of the Company.
  - IV. Now you are ready for e-voting as the Voting page opens.
  - V. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and “Confirm” when prompted.
  - VI. Upon confirmation, the message “Vote cast successfully” will be displayed.
  - VII. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
  - VIII. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- c) In case of any queries with respect to the manner of voting, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or contact Mr. Amit Vishal, Senior Manager or Ms. Pallavi Mhatre Manager, National Securities Depository Ltd., Trade World, ‘A’ Wing, 4<sup>th</sup> Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, at the designated email IDs: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [AmitV@nsdl.co.in](mailto:AmitV@nsdl.co.in) or [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in) or at telephone nos.: +91-22-24994360 or +91-22-24994545 who will also address the grievances connected with the voting by electronic means. Members may also write to the Company Secretary at the Company’s email address [investors@3i-infotech.com](mailto:investors@3i-infotech.com).

**Process for those Members whose email ids are not registered for procuring user id and password and registration of email ids for e-voting on the resolutions set out in this Notice:**

Due to COVID-19 pandemic and in terms of MCA Circulars, the Postal Ballot Notice is being sent to the Members through electronic form only and had copy of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business reply envelope will not be sent to the Members for this Postal Ballot.



The Postal Ballot Notice is being sent to the Members in electronic form whose e-mail addresses are registered with the Depository Participants (in case of electronic shareholding) or the Company's Registrar and Share Transfer Agent (in case of physical shareholding). For Members whose e-mail addresses are not so registered, may follow the following procedure:

- Those Members, who hold shares in physical form and who have not registered their email address with the Company and who wish to participate in the AGM or cast their vote through remote e-voting or through the e-voting system during the meeting, may obtain the login ID and password by sending scanned copy of: i) a signed request letter mentioning your name, folio number, complete address and mobile number along with scanned copy of the share certificate (front and back); and ii) self-attested scanned copy of the PAN Card and any one of the following documents (such as Driving License, Bank Statement, Election Card, Passport, AADHAR Card) in support of the address of the Member as registered with the Company to the email address of the Company [investors@3i-infotech.com](mailto:investors@3i-infotech.com).
- In case shares are held in demat mode and email address is not registered, such Members may obtain their login ID and password by sending scanned copy of (i) a signed request letter mentioning your name, DP ID-Client ID (16 digit DP ID + Client ID or 16 digit beneficiary ID) and mobile number; (ii) self-attested scanned copy of client master or Consolidated Demat Account statement; and (iii) self-attested scanned copy of the PAN Card, to the email address of the Company [investors@3i-infotech.com](mailto:investors@3i-infotech.com).

#### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 AND SECTION 110 OF THE COMPANIES ACT, 2013

The Company and its subsidiaries have been evaluating various options for a viable restructuring to reduce its debt position, including sale/monetization of its global products business, along with the respective assets and liabilities (including employees, contracts, intellectual property, etc.).

In this regard, Azentio Software Private Limited, India, Azentio Software Private Limited, Singapore ("**Azentio Singapore**") and Azentio Singapore's subsidiaries in the relevant jurisdictions (collectively "**Azentio Group**") proposes to acquire the software product business conducted by the Company and its subsidiaries worldwide. The software products business is the business of designing, developing, owning, customizing, implementing, upgrading, marketing, distributing, licensing, servicing and maintaining software products relating to the banking, enterprise resource planning (ERP), insurance, anti-money laundering and investment management sectors), conducted by the Company and its subsidiaries situated across the world ("**Product Business**"). All rights of the Company and its subsidiaries to all software products of the Products Business including Kastle, Premia, Premia Astra, Orion, Amlock, Datascan, Datascan Online, Dataflo, Telesto, Quantis, MFund, MFund Plus, Factor SQL, GeSTup, XRoadz, Sigver, CMatis, dbizpro, Pinnacle, Risk Free, Tangible, Newton, Triton, eFactor will be transferred to the Azentio Group as part of the proposed transaction.

The Azentio Group is a subsidiary of funds affiliated with, or advised by, Apax Partners LLP. Apax Partners LLP is a leading global private equity advisory firm. Over its more than 40-year history, Apax Partners LLP has raised and advised funds with aggregate commitments of approximately US\$ 50,000,000,000 (United States Dollars Fifty billion). Apax Partners LLP invests in companies across four global sectors of Tech & Telco, Services, Healthcare and Consumer. These funds provide long-term equity financing to build and strengthen world-class companies.

The Board of Directors of the Company ("**Board**") at its meeting held on December 28, 2020, has approved: (A) the sale of the Company's Product Business in India, on a going concern basis, by way of a 'slump sale' (as defined under section 2(42C) of the Income Tax Act, 1961), to Azentio India in accordance with the terms



of the Business Transfer Agreement (“BTA”) (placed before the Board) for a lump sum consideration of INR 286,00,00,000 (Indian Rupees Two hundred eighty six crores) subject to adjustments identified in the BTA, without values being assigned to individual assets and liabilities, and (B) the sale of the Company’s intellectual property rights relating solely to the Product Business outside India to Azentio Singapore in accordance with the draft intellectual property assignment agreement tabled before it, for a lump sum consideration of INR 356,00,00,000 (Indian Rupees Three hundred fifty six crores); and the Company has executed these documents. Similarly, the boards of directors of the Company’s subsidiaries in United Arab Emirates, United Kingdom, United States of America, Singapore, Malaysia, Thailand, Kingdom of Saudi Arabia and Kenya have also approved the sale of the Product Business in accordance with requirements of each of these jurisdictions, and the Company’s subsidiaries in these jurisdictions have executed BTA’s in respect of their geographies.

The break-up of the purchase consideration from the Azentio Group to the Company and its relevant offshore subsidiaries is as set out below:

| SELLER                                                                                                                                                                                                                                                      | CONSIDERATION (INR)    |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| 3i Infotech Limited (consideration under BTA for sale of Product Business in India)                                                                                                                                                                         | 286,00,00,000          |
| 3i Infotech Limited (for sale of intellectual property rights relating solely to the Product Business outside India to Azentio Singapore)                                                                                                                   | 356,00,00,000          |
| 3i Infotech (Middle East) FZ LLC (consideration under BTA for sale of Product Business)                                                                                                                                                                     | 260,00,00,000          |
| Offshore subsidiaries of 3i Infotech in Saudi Arabia, Thailand, United Kingdom, Malaysia, United States of America, Kenya and Singapore (consideration under business transfer agreement for sale of Product Business in respective offshore jurisdictions) | 98,20,00,000           |
| <b>TOTAL</b>                                                                                                                                                                                                                                                | <b>1,000,20,00,000</b> |

The consideration of INR 286,00,00,000 (Indian Rupees Two hundred eighty-six crores), including deferred consideration of INR 50,00,00,000 (India Rupees Fifty crore), in respect of the slump sale of its Product Business in India will be payable to the Company and adjusted as per the terms of the BTA.

The completion of the transaction is subject to fulfilment of certain conditions precedent including, *inter alia* including the following:

- (a) receipt of the approval of shareholders of the Company by way of special resolution;
- (b) receipt of the approval of the required number of lenders of the Company;
- (c) lenders depositing encumbrance release documents with the escrow agent identified by the parties;
- (d) execution of an escrow agreement among the Company, Azentio India, and an escrow agent to be identified by the parties, setting out the terms and conditions of the escrow mechanism for deposit of:
  - (a) the aggregate transfer consideration payable by Azentio India to the Company; and
  - (b) the documents for release of encumbrance by the lenders of the Company;
- (e) execution of an escrow agreement among 3i Infotech (Middle East) FZ LLC, Azentio Singapore and an escrow agent agreed to between the parties, for the deposit of the transfer consideration payable by Azentio Group to 3i Infotech (Middle East) FZ LLC;
- (f) customer contracts representing 80% of the recurring revenue of the Products Business and certain significant customer contracts being novated/ transferred in favour of Azentio Group;
- (g) receipt of no objection certificate under Section 281 of the Income Tax Act, 1961 and



- (h) execution of a transition services agreements between the Company and its subsidiaries and the Azentio Group entities, setting out the terms and conditions on which both parties will offer certain transition services to the other for ensuring continuity and minimizing disruption of the operation.

As per the terms of the BTA and the offshore business transfer agreements, the Company and the relevant offshore subsidiaries will be transferring all assets and liabilities pertaining to the Product Business, including defined undertaking assets, defined undertaking liabilities, defined intellectual property, defined employees, defined immovable assets, defined movable assets, defined undertaking contracts and all other rights, benefits and privileges (including goodwill) accruing to the relevant transferor and which relate to the Product Business.

The Audit Committee and the Board have also obtained and reviewed:

- (a) Valuation report dated December 22, 2020 issued by Rashmi Shah (FCA); and
- (b) Fairness opinion dated December 22, 2020 issued by Shreni Shares Private Limited which concludes (subject to the assumptions and qualifications set out therein) that valuation arrived at by the registered valuer for the Product Business is fair.

The relevant documents referred to in the Postal Ballot Notice and Explanatory Statement will be available at the Registered Office of the Company for inspection by the Members on all working days between 10:00 A.M. (IST) to 1:00 P.M. (IST), from the date of dispatch of the Notice up to the last date of receipt of Postal Ballot Form/e-voting, i.e., Sunday, February 28, 2021.

In terms of Section 180(1)(a) of the Companies Act, 2013 ("Act") a company shall not, except with the consent of the members by way of a special resolution, sell, lease, or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company in which the investment of the Company, exceeds 20% of its net worth as per the audited balance sheet of the preceding financial year or 20% of the total income of the company during the previous financial year. Since the proposed transaction involves transfer/sale of the Product Business, in which the investment of the Company, exceeds 20% of its net worth as per the audited balance sheet of the preceding financial year or 20% of the total income of the company during the previous financial year, approval of the shareholders under Section 180(1)(a) and all other applicable laws is being sought.

The proceeds of the transaction will be *inter alia* used to repay the existing lenders of the Company (including foreign currency convertible bondholders and redeemable preference shareholders), such that the Company shall become debt free.

After the conclusion of the transaction, the Company will continue to engage in its services business. The services business generated consolidated global income of INR 618.13 crores during the financial year ending 31 March 2020 with a consolidated global EBITDA of INR 40.61 crores. The residual services business has been valued at INR 489.10 crores.

Mr. Rajeev Kumar Sinha (Non-Executive - Nominee Director) is a nominee director of IDBI Bank Limited on the Company's Board. Mr. Sandeep Kumar Gupta (Non-Executive - Nominee Director) is a nominee director of Indian Bank Limited on the Company's Board. The employment of Mr. Padmanabhan Iyer (Managing Director, Global CEO, and CFO) will stand transferred to the Azentio Group upon the completion of the transaction. Other than the above, none of the Directors and Key Managerial Personnel of the Company and their relatives, are concerned or interested, financially or otherwise, in the resolution set forth in the Notice.



The Board recommends to the members passing of these resolutions as special resolutions, through Postal Ballot.

**By Order of the Board**

**Sd/-**

**Rajeev Limaye**

**Company Secretary**

Place: Navi Mumbai  
Date: January 12, 2021