

IN THE NATIONAL COMPANY LAW TRIBUNAL
SPECIAL BENCH, MUMBAI

CA (CAA) No.992/MB/2020

In the matter of
sections 230-232 and other applicable
provisions of the Companies Act,
2013

and

In the matter of
Scheme of Arrangement
between
3i Infotech Limited
and its shareholders

3i Infotech Limited

CIN: L67120MH1993PLC074411 ...

Applicant

Order pronounced on 1st June 2020

Coram:

Shri Rajasekhar VK : Member (Judicial)
Shri V. Nallasenapathy : Member (Technical)

Appearances (via video-conferencing):

For the Applicants : Mr Gaurav Joshi, Senior
Counsel, a/w Mr Mehul Shah,
Mr Peshwan Jehangir,
Ms Priyanka Desai, Mr Aman
Yagnik, Ms Sraddha Kedia, Mr
Jamsheed Dadachanjii/b
Khaitan & Co, Advocates.

ORDER

Per: Rajasekhar VK, Member (Judicial)

UPON the application of the Applicant Company abovenamed by a Notice of Admission and UPON HEARING the Learned Senior Counsel for the Applicant Company AND UPON READING the Application along with the Notice of Admission dated 16th March 2020, IT IS ORDERED THAT:

1. The Applicant Company, i.e., 3i Infotech Limited seeks to convene the meeting of the equity shareholders on 21st July 2020 at 2:00 p.m., for the purpose of considering, and, if thought fit, approving, with or without modification(s), the proposed Scheme of Arrangement between 3i Infotech Limited and its shareholders (*Scheme*), through video conferencing or other audio visual means mode, as per applicable operating procedures mentioned in Circular No.14/2020 dated 8 April 2020 read with Circular No.17/2020 dated 13 April 2020 issued by the Ministry of Corporate Affairs (*MCA Circulars*), with necessary modifications as stated herein or as may be required, and not in physical presence of shareholders, as the same in the current COVID-19 environment related social distancing norms shall not be possible.
2. At least 30 (Thirty) clear days before the said meeting of the Equity Shareholders of the Applicant Company to be held as aforesaid, a notice convening the said meeting at the day, date and time as aforesaid, together with a copy of the Scheme, a copy of the Explanatory Statement required to be sent under section 230(3) of the Companies Act, 2013 read with rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016,

shall be sent by email to the Equity Shareholders of the Applicant Company at their respective registered or last known addresses / by e-mail to the registered e-mail address of the Equity Shareholders as per the records of the Applicant Company.

3. At least 30 (Thirty) days before the meeting of the Equity Shareholders of the Applicant Company to be held as aforesaid, a notice convening the said meeting, at the date and time aforesaid be published once each in '*Business Standard*' in English and '*Navshakti*' in Marathi, both having wide circulation in the State of Maharashtra, and stating that copies of the Scheme and the said statement required to be furnished pursuant to section 230 (3) of the Companies Act, 2013 can be obtained free of charge by emailing the Applicant Company at capitalreduction@3i-infotech.com.
4. The Applicant Company undertakes to:
 - (i) Issue notice convening meeting of the equity shareholders as per Form No CAA.2 (rule 6) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 incorporating the directions herein;
 - (ii) Issue statement containing all the particulars as per section 230 of the Companies Act, 2013; and
 - (iii) Advertise the notice convening meeting as per Form No. CAA.2 (rule 7) of the Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016 incorporating the directions herein.

The undertaking is accepted.

5. Mr Padmanabhan Nemmara Ranganathan Iyer, Managing Director and Global Chief Executive Officer, failing whom, Mr

Rajeev Limaye, Company Secretary, is appointed as the Chairperson for the abovementioned meeting of the Equity Shareholders of the Applicant Company.

6. Mr Avinash Bagul, Partner, BNP & Associates, Company Secretaries, failing whom, Mr K. Venkataraman, Senior Associate, BNP & Associates, Company Secretaries is hereby appointed as Scrutinizer for the abovementioned meeting of Equity Shareholders of the Applicant Company. The Scrutinizer shall be paid a remuneration of ₹25,000/- (Rupees twenty-five thousand only), excluding taxes.
7. The Chairperson appointed for the aforesaid meeting of the Applicant Company shall issue notice of the meeting of the Equity Shareholders referred to above. The Chairperson shall have all powers pursuant to sections 230 and 232 of the Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, Companies (Management and Administration) Rules, 2014 and MCA Circulars, to the extent necessary and applicable, in relation to the conduct of the meeting including for deciding procedural questions that may arise or at any adjournment thereof or any other matter including, an amendment to the Scheme or resolution, if any, proposed at the meeting by any person(s).
8. The quorum for the aforesaid meeting of the Equity Shareholders of the Applicant Company shall be as prescribed under section 103 of the Companies Act, 2013.

9. The value and number of the shares of each member shall be in accordance with the books/register of the Applicant Company or depository records and where the entries in the books / register / depository records are disputed, the Chairperson of the Meeting shall determine the value for the purpose of the aforesaid meeting and his decision in that behalf would be final.
10. Pursuant to rule 12 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Chairperson shall file a compliance report not less than 7 (Seven) days before the date fixed for the holding of the meeting of the Equity Shareholders of the Applicant Company and report to this Tribunal that the directions regarding the issue of notices and advertisements have been duly complied with.
11. The Chairperson shall report to this Tribunal, the result of the aforesaid meeting within seven days of the conclusion of the said meeting of the Equity Shareholders of the Applicant Company, and the said report shall be verified by his undertaking.
12. Learned Senior Counsel for the Applicant Company had submitted that since the Scheme is an arrangement between the Applicant Company and its shareholders, and therefore, only a meeting of the Equity Shareholders of the Applicant Company is proposed to be held in accordance with the provisions of section 230(1)(b) of the Companies Act, 2013. The Bench hereby directs the Applicant Company to issue notice seeking representations by electronic mail to all its Preference Shareholders at their respective registered e-mail address as per the records of the Applicant Company, with a direction that they may submit their representations, if any, to the

Tribunal and copy of such representations shall simultaneously be served upon the Applicant Company.

13. Learned Senior Counsel for the Applicant Company had submitted that since the Scheme is an arrangement between the Applicant Company and its shareholders, and therefore, only a meeting of the Equity Shareholders of the Applicant Company is proposed to be held in accordance with the provisions of section 230(1)(b) of the Companies Act, 2013. The Bench hereby directs the Applicant Company to issue notice seeking representations by electronic mail to all its Secured Creditors at their respective registered e-mail address as per the records of the Applicant Company, with a direction that they may submit their representations, if any, to the Tribunal and copy of such representations shall simultaneously be served upon the Applicant Company.
14. Learned Senior Counsel for the Applicant Company had submitted that since the Scheme is an arrangement between the Applicant Company and its shareholders, and therefore, only a meeting of the Equity Shareholders of the Applicant Company is proposed to be held in accordance with the provisions of section 230(1)(b) of the Companies Act, 2013. The Bench hereby directs the Applicant Company to issue notice seeking representations by electronic mail to its Unsecured Creditors at their respective registered e-mail address as per the records of the Applicant Company, as may be possible, with a direction that they may submit their representations, if any, to the Tribunal and copy of such representations shall simultaneously be served upon the Applicant Company.

15. The Applicant Company to file a compliance report of the directions given by the Tribunal before the date of filing of the Company Petition that the directions regarding issuance of notices to preference shareholders, secured creditors and unsecured creditors have been duly complied with.
16. The Applicant Company to serve notices upon the concerned sectoral regulators and authorities, including the (i) Regional Director (Western Region), Ministry of Corporate Affairs, Mumbai; (ii) Registrar of Companies, Maharashtra, Mumbai; (iii) Income Tax Authority, within whose jurisdiction the Applicant Company's assessments are made; (iv) BSE Limited; (v) National Stock Exchange of India Limited; and (vi) Securities and Exchange Board of India, pursuant to section 230(5) of the Companies Act, 2013 and rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. The Bench hereby directs the Applicant Company to issue notice seeking representations by electronic mail to all the aforementioned regulatory authorities. If no response is received by the Tribunal from the said Regulators and Authorities within 30 (Thirty) days of the date of receipt of the notice, it will be presumed that the said Regulators, Authorities and/or Central Government have no objection to the proposed Scheme.
17. Pursuant to rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Applicant Company shall file a compliance report not less than 7 (Seven) days before the date fixed for the holding of the meeting of the Equity Shareholders of

the Applicant Company and report to this Tribunal that the directions regarding the issue of notices to concerned sectoral regulators and authorities have been duly complied with.

18. With a view to avoid any conflict arising out from those shareholders and/ or creditors, whose email addresses are not available with the Applicant Company or who have not received notice convening meeting or notice seeking representations, as the case may be, due to non-functionality of delivery or post services in current COVID-19 environment, the Applicant Company shall host such notices on its website.
19. CA (CAA) No.992/MB/2020 is disposed of accordingly. File be consigned to record.

Sd/-

V. Nallasenapathy
Member (Technical)

Sd/-

Rajasekhar V.K.
Member (Judicial)