

3i Infotech Limited

Regd office: Tower 5, 3rd to 6th Floors, International Infotech Park, Vashi, Navi Mumbai 400 703

Audited Consolidated financial results of 3i Infotech Limited and its subsidiaries

(Rupees in Millions)

	Particulars	3 months ended (30/09/2007) Audited	Corresponding 3 months ended in the previous year (30/09/2006) Audited	Year to Date figures for current Period ended (30/09/2007) Audited	Year to date figures for the previous year ended (30/09/2006) Audited	Previous accounting year ended (31/03/2007) Audited
1	Net Sales/Income from Operations	2,778.76	1,450.27	5,381.37	2,734.90	6,553.17
2	Other Income	60.72	38.66	99.80	86.19	154.55
3	Total Income (1+2)	2,839.48	1,488.93	5,481.17	2,821.09	6,707.72
4	Expenditure					
	a. Cost of Revenue	1,493.52	778.27	2,910.80	1,475.41	3,521.75
	b. Selling, General & Administrative Exp.	696.88	331.20	1,335.39	625.33	1,709.85
	c. Depreciation	51.73	90.32	99.54	169.03	168.84
	d. Total	2,242.13	1,199.79	4,345.73	2,269.77	5,400.44
	(* Item exceeding 10% of the total expenditure)					
	Staff cost *	1,105.54	533.32	2,174.77	1,024.64	2,475.80
	Outsourced services & boughtout items *	607.43	256.56	1,159.93	494.35	1,159.32
5	Interest	130.66	44.56	233.54	76.43	208.99
6	Exceptional Items	-	-	-	-	(120.06)
7	Profit (+)/ Loss (-) from Ordinary Activities before tax (3) - (4+5+6)	466.69	244.58	901.90	474.89	1,218.35
8	Tax expense	36.25	13.03	68.22	29.80	53.45
9	Net Profit (+)/ Loss (-) from Ordinary Activities after tax (7-8)	430.44	231.55	833.68	445.09	1,164.90
10	(Less): Provision for Contingency	-	-	-	-	(120.06)
11	Net Profit/ (Loss) for the period After Exceptional Items & Provision for Contingency (9-10)	430.44	231.55	833.68	445.09	1,044.84
12	Minority Interest	29.61	6.27	40.81	6.27	7.36
13	Profit after minority interest, exceptional items and Provision for contingency (11-12)	400.83	225.28	792.87	438.82	1,037.48
14	Paid-up equity share capital (Face Value of the Share shall be indicated)	1,299.42	533.25	1,299.42	533.25	562.99
	Face value per share (Rs)	10.00	10.00	10.00	10.00	10.00
15	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year					3,397.44
16	Earnings Per Share (EPS)					
	Earnings per share (Before exceptional Items)					
	Basic (Rs)	2.99	1.95*	6.19	3.79*	8.99*
	Diluted (Rs)	2.80	1.89*	5.77	3.65*	8.69*
	Earnings per share (After exceptional Items)					
	Basic (Rs)	2.99	1.95*	6.19	3.79*	8.99*
	Diluted (Rs)	2.80	1.89*	5.77	3.65*	8.69*
	* Adjusted for the Bonus Issue					
17	Aggregate of Non-promoters Shareholding					
	Number of shares	78,314,145	27,510,886	78,314,145	27,510,886	30,484,785
	Percentage of shareholding	60.27%	51.59%	60.27%	51.59%	54.15%

Consolidated Segment Reporting						
						(Rupees in Millions)
	Particulars	3 months ended (30/09/2007)	Corresponding 3 months ended in the previous year (30/09/2006)	Year to Date figures for current Period ended (30/09/2007)	Year to date figures for the previous year ended (30/09/2006)	Previous accounting year ended (31/03/2007)
		Audited	Audited	Audited	Audited	Audited
1	Segment Revenue					
a	Products	1,298.34	698.86	2,517.06	1,326.49	3,319.25
b	Services	1,480.42	751.41	2,864.31	1,408.41	3,233.92
	Total Net sales/Income From Operations (a+b)	2,778.76	1,450.27	5,381.37	2,734.90	6,553.17
2	Segment Results (Gross Profit)					
a	Products	710.91	384.44	1,380.35	714.09	1,802.29
b	Services	574.33	287.56	1,090.22	545.40	1,229.13
	Total	1,285.24	672.00	2,470.57	1,259.49	3,031.42
Less:	Interest	130.66	44.56	233.54	76.43	208.99
	Depreciation	51.73	90.32	99.54	169.03	168.84
	Other Un-allocable Expenditure	696.88	331.20	1,335.39	625.33	1,709.85
	Selling, General & Administrative Exp (SGA)*					
	Un-allocable income	60.72	38.66	99.80	86.19	154.55
	Total Profit Before Tax	466.69	244.58	901.90	474.89	1,098.29

* SGA expenses are unallocable in nature and are shown separately.

Considering the nature of the group's businesses, the assets and liabilities cannot be identified with any specific business segment.

Notes:

- a) The above results have been taken on record by the Board of Directors at its meeting held on October 24, 2007. There are no qualifications in the auditors' reports for this period. The information presented above is extracted from the audited financial statements as stated.
- b) During the quarter ended September 30, 2007, the Company issued 262,182 shares pursuant to exercise of stock options and 2,979,879 shares pursuant to conversion of Foreign Currency Convertible Bonds.
- c) Number of investor complaints - (i) pending at the beginning of the quarter - Nil (ii) received during the quarter - Nil (iii) attended during the quarter - Nil ; (iv) pending at the end of the quarter - Nil.
- d) The Company has issued 64,787,631 shares as Bonus shares pursuant to the Resolution passed by the Members of the Company at their Meeting held on July 25, 2007. The shares were issued in the ratio of 1:1 i.e. one new share for every one existing share held on the Record date for the Bonus shares, which was August 28th 2007.
- e) During this quarter, the Company set up a new subsidiary called 3i Infotech (Middle East) FZ- LLC. The Company acquired 26% in TAXSMILE.COM India Pvt. Ltd. and 51% in HCCA Business Services Pvt. Ltd
- f) With regard to the amalgamation of the Company's 100% owned subsidiary, SDG Software Technologies Limited with the Company, the Andhra Pradesh High Court has passed an order approving the scheme of amalgamation. We are awaiting a copy of the original order from the Court, which we shall file with the Registrar of Companies.
- g) In terms of the amendment made by Finance Act 2007, shares allotted under Employee Stock Option Scheme (ESOS) are to be considered for the purposes of Fringe Benefit Tax. The method for calculating fair market value has just been prescribed. Further, as the company's ESOS policy provides for recovery of taxes from employees; the company does not expect any significant impact due to such change.
- h) During the quarter the Company completed an offering of US\$100 million Foreign Currency Convertible Bonds.
- i) The Standalone financial results will be available on the NSE website www.nseindia.com and the BSE website www.bseindia.com.

By order of the Board
for 3i Infotech Limited

Mumbai, India
October 24, 2007.

V. Srinivasan
Managing Director & CEO