ANNUAL REPORT 2021

3i Infotech®

3i INFOTECH LIMITED

INNOVATE | INCUBATE | INVENT

CEO's MESSAGE

As the all-new 3i Infotech, we speak as one team and one voice: we have raised the bar high and set our sights on Intrapreneurial leadership. In order to achieve this, we are looking at transformation in right earnest; a cultural transformation at our core with the right skills, talent and attitude in place, top down; an operational and strategic transformation pivoting on efficacy and a high-growth mindset across board; an image transformation that puts us at the helm of rising enterprises with the agility of a start-up, the backing of a solid legacy customer base and the hunger to grow anew, globally, even as we speak.

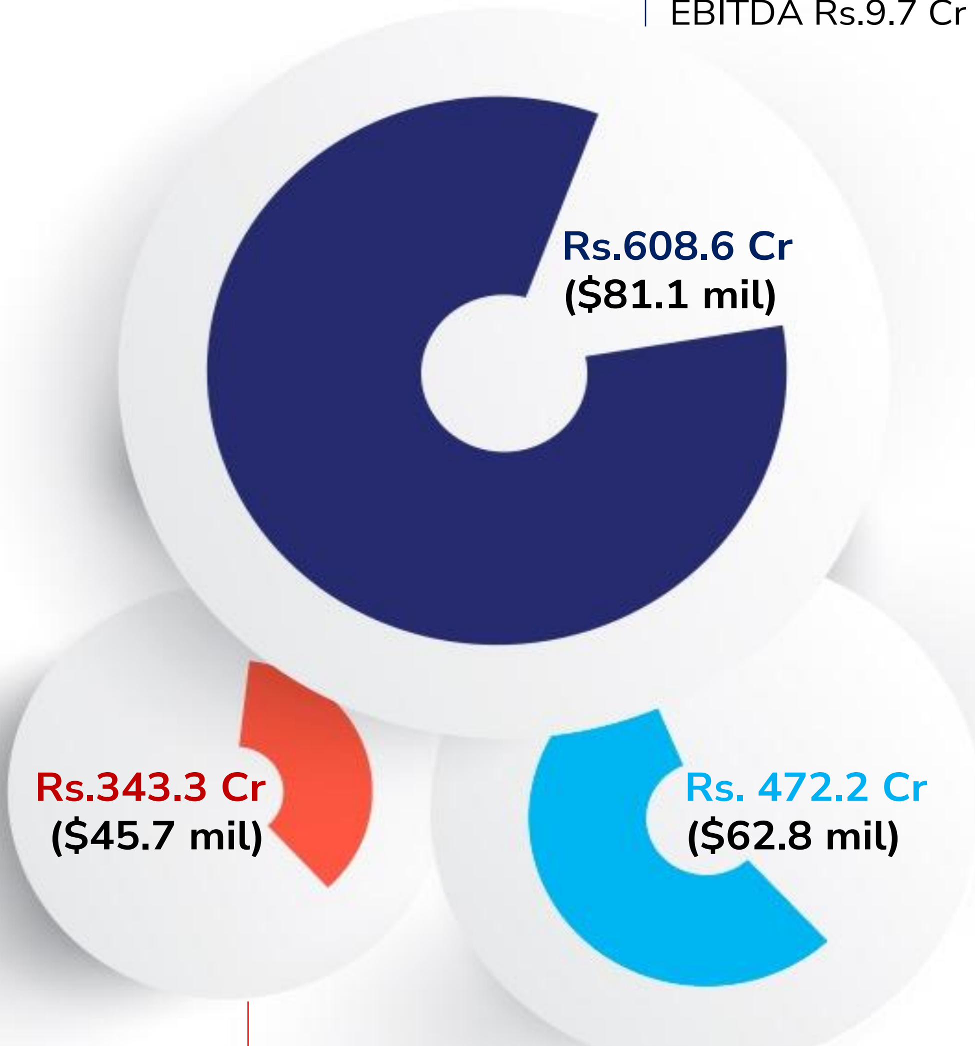
3i Infotech is where people, ideas and innovation come together to realize the full opportunities of today's competitive and fast-moving digital ecosystem. Our goal at 3i, is to pursue excellence in this ever-evolving industry with rapid adaptations of technology, keeping our clients equipped with the latest tools required for day-to-day management of business and services in this new digital decade. The 3i differentiator would be a human humanoid approach to digital disruptions.

With our focus on a thought through growth plan, for our customers' and our stakeholders, as we strive for profitable operations. We see 3i Infotech as an adaptive learning organization, transformed, skilled and trained; to RUN with the demands of a new digital decade, GROW to be future ready right now and BUILD on its strengths to annihilate any challenges to its aspirational vision and goals. With our all-new values and vision internalized by our 4000+ talent pool across several geographies, we are gearing up to deliver the best solutions and services to boost our customers' productivity and profitability in the age of digital and cloud-based business transactions. It's a new dawn on our horizon, and as one team, we are raring to go forth and show the world our mettle.

Financial Highlights

TOTAL REVENUES

Gross Margin Rs.90.7 Cr
EBITDA Rs.9.7 Cr



USA REVENUES

SAG Rev. Rs.178.6 Cr

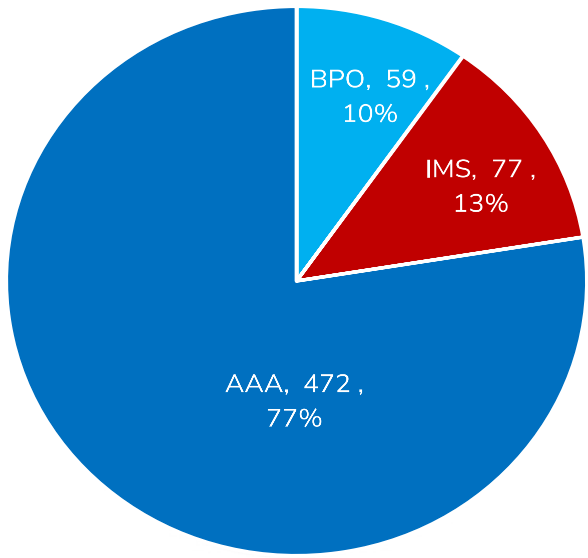
AAA Revenues

IMS Rs.77.5 Cr
ADMS Rs.54 Cr

AAA - Application Automation Analytics

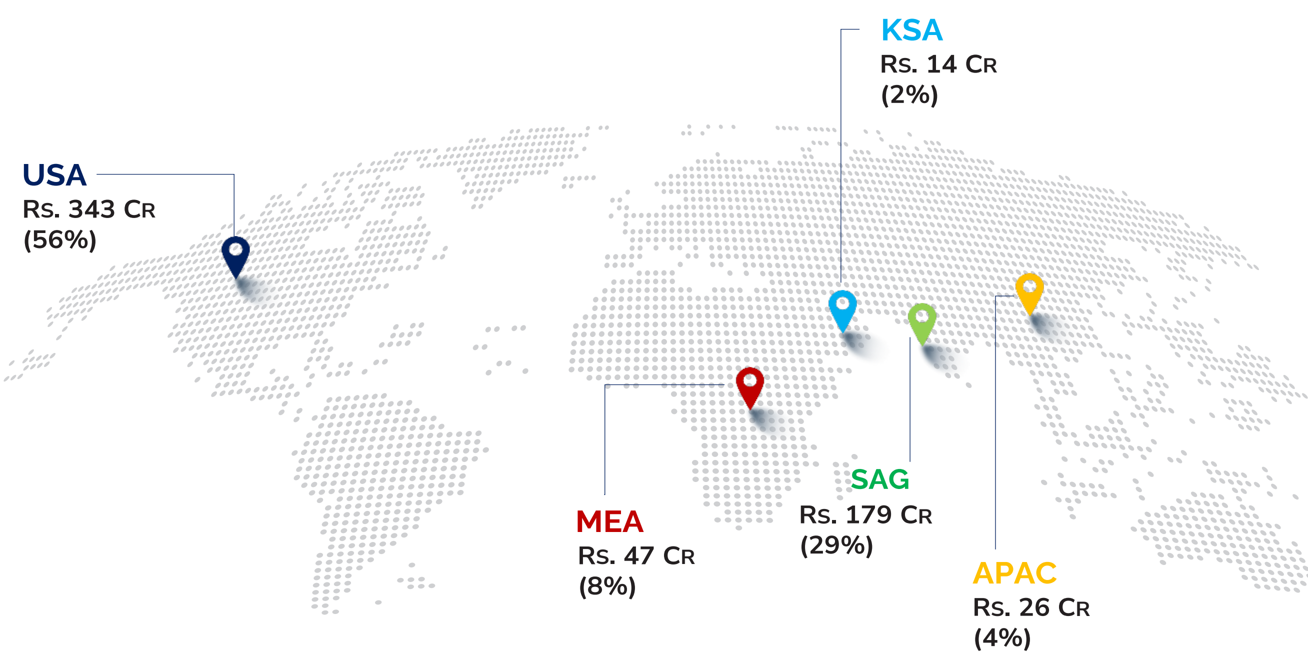
Revenues

- 3i Infotech reported total revenues of Rs.608.6 Cr (US$ 81.1 million) with Gross Profit margin of Rs.90.7 Cr (15%) and EBITDA of Rs.9.7 Cr (1.6%)
- Region wise, USA contributed Rs.343.3 Cr (US$ 45.7 million) to the total revenues (56% of total) and SAG reported Rs.178.6 Cr (US$ 23.8 million) which is 29% of total revenues
- We have a highest segment revenues of Rs.472.2 Cr (US$ 62.8 million) coming in from our Application Automation Analytics (AAA) business which is 77% of our total revenues, followed by the IMS practice revenues of Rs.77.5 Cr (US$ 10.3 million- 12% of total) and 10% from BPO segment which is Rs.59.2 Cr (US$ 7.9 million)



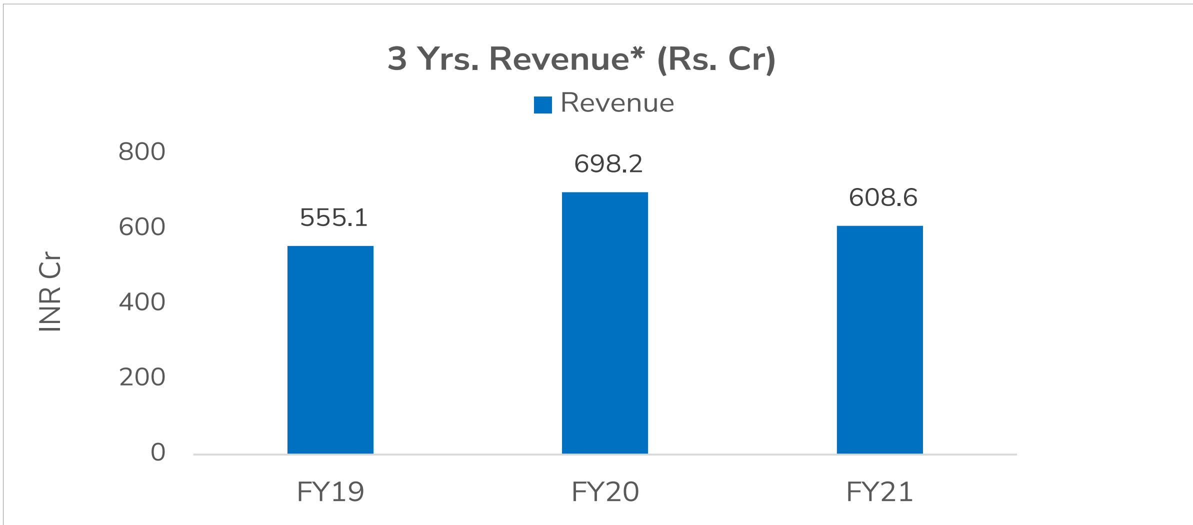
Geographic Revenues

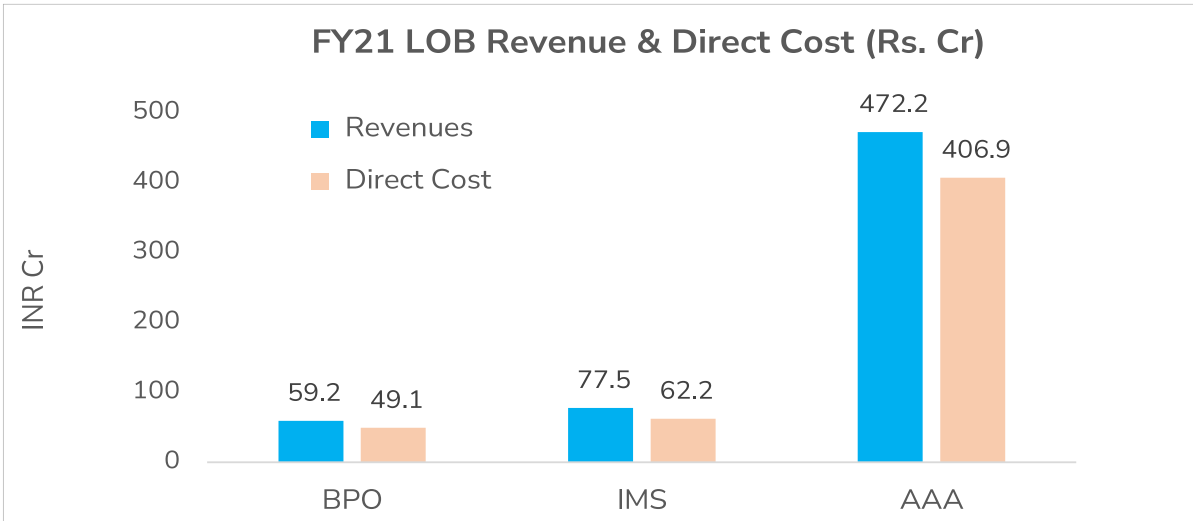
Rs 608.6 CR



Revenue Analysis

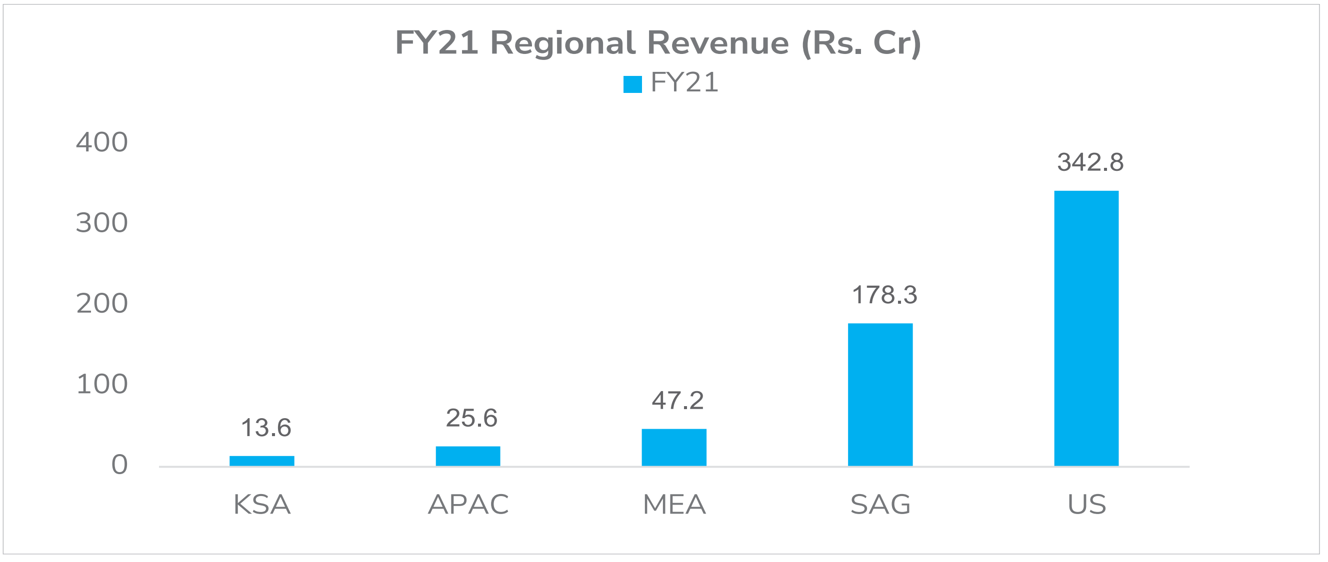
*After sale of product business FY19 & FY20 Revenues are adjusted for service business. FY21 are as reported figures





- 3i Infotech has reported FY20-21 revenues of Rs.608.6 Cr (US$81.1 million) supported by direct costs of Rs.519 Cr (US$69 million) and Gross Profit margin of 15%
- AAA business is still one of the highest contributor with revenues of Rs.472.2 Cr (US$ 62.8 million) followed by IMS revenues of Rs.77.5 Cr (US$ 10.3 million)
- Our FY20-21 direct cost for AAA was Rs.406.9 Cr ($54.2 million) and Rs.62 Cr ($8.3 million) for IMS business

GEO
Revenue Analysis



GEO Revenue Analysis

- GEO wise USA contributed Rs.342.8 Cr (US$ 45.7 million) which is almost 56% in the total revenues followed by SAG regions with Rs.178.3 Cr (US$ 18.3 million)
- USA and SAG regional gross margin stands near 15% and 10% respectively

Our Strategy

PRODUCT/SERVICES

MARKET	Existing		New	
	Existing Services Existing Market	Run-Market Development FY21-25)	New Services Existing Market	Build & Grow - Diversification
Existing	**Services** • Enterprise Services • Digital Business Services • Digital Transformation Consulting • Partner/Alliance Services • Direct & MM Deals • Indirect Deals	**Markets** • Existing locations • Identifying cross opportunities with existing clients	• Digital Transformation • NextGen Business Services o 5G powered services- Cyber Security, Block Chain, Real time Analytics o OT(Industrial & Other) o Edge computing – IMS o Partner/Alliance Services	• Direct & MM deals • Indirect deals
	Existing Services Existing Locations	Run-Market Penetration(FY21-25)	New Services New Market	Build & Grow – New Product Development
New	Services • Enterprise Services • Digital Business Services • Digital Trans. Consulting • Partner/Alliance Services • Direct & MM Deals • Indirect Deals	Markets • Increasing reach in North America & Europe • Increasing network/Meetings • Tagging new clients	• Digital Transformation • NextGen Business Services o 5G powered services- Cyber Security, Block Chain, Real time Analytics o IOT(Industrial & Other) o Edge computing – IMS o Partner/Alliance Services	• Direct & MM deals • Indirect deals

Our strategy is to continue to enhance our efforts in Market Development and Market Penetration for the next couple of years which is our RUN business. At the same time, we are working towards New Product development and Diversification strategy within the technology space with our BUILD business such as Digital Business Services and NextGen Services.

In RUN business our focus would be around getting more busines from our existing clients with our existing offerings along with adding new locations for the same. In BUILD business we are investing in such technologies where the market is shifting its gears post pandemic. Our BUILD business offers 5G technologies offering with edge ready computing for all emerging needs of the business.

Go-To-Market

Our focus is on the major markets such as North America, Europe, APAC, MENA and India, as a separate business unit. For new 3i Infotech the industry focus areas are BFSI, Government, E-Commerce, Retail, Telecom-Media-Entertainment (TME), Agriculture Technologies and Renewable Technologies. We foresee strong adoption of digital transformation technologies in Mid Market segment. For FY2021-22 our focus will for business size Mid-Market (Revenues US$300 mil to US$1 billion) and Small Size (Revenue US$ 100 million to US$ 300 million).

MAJOR MARKETS

NORTH AMERICA
USA, Canada

EUROPE
UK, Netherlands

APAC
Singapore, Malaysia, Thailand

MENA
UAE, KSA, Nigeria

INDIA

INDUSTRIES

- BFSI
- Govt.
- E-Com
- Retail
- TMT
- Agri Tech
- Sustainable/ Green Tech Etc.

Target A/C Size

- Large (Rev>$1bil)
- Mid(Rev $300mil-0$1bil)
- Small(Rev $100-$300mil)
- Emerging (Rev<$100mil)

OPERATING BU

ENTERPRISE SERVICES

- Application ,Automation & Analytics Services (AAA)
- Digital Infra Management Services (IMS)
- BPO

DIGITAL BUSINESS SERVICES

- Cloud First Service – IaaS, SaaS, PaaS (aPaaS, dbPaaS, iPaaS)
- BPaaS, KPaaS, GRCaaS, BaaS
- Altiray Digital Services

DIGITAL TRANSFORMATION CONSULTING

- Digital Consulting
- Technology Consulting
- Design Thinking

NEXTGEN BUSINESS SERVICES

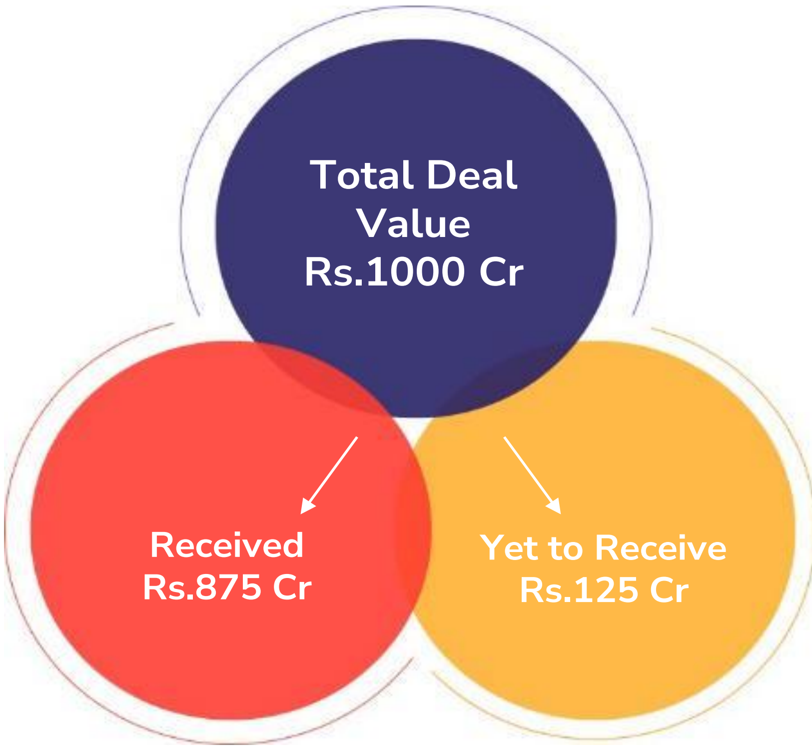
- 5G Enabled Services
- IOT
- Edge Computing
- Cyber Security
- SASE

3i Infotech & Azentio Software

Deal Highlights

Pursuant to the business transfer agreement dated 28 December 2020, we completed the slump sale of our global software products business on a going concern basis to Azentio Software (and its affiliates) which is wholly owned by the Apax Funds for a total consideration of INR 1000 Cr.

Out of total consideration so far, we have received transaction amount of Rs.875 Cr and Rs.125 Cr is yet to be received including Rs.50 Cr for India entity, Saudi Arabia Rs.43 Cr and Thailand Rs.33 Cr respectively as of March 31st 2021 (awaiting regulatory approvals)



As of March 31st 2021

CONSIDERATION		INR Cr.
	India	592.00
	FZLLC	260.00
Total Deal Value Rs.1000 Cr	Singapore	8.85
	Malaysia	5.85
	UK	6.11
Received Rs.875 Cr.	US	1.99
	Africa	0.20
Yet to Receive Rs.125 Cr.	Saudi Arabia	43.00
	Thailand	33.00
	Pending India	50.00

Corporate Information

BOARD OF DIRECTORS

Mr. Ashok Shah
Non-Executive Independent Chairman
Ms. Zohra Chatterji
Non-Executive Independent Director
Mr. Avtar Singh Monga
Non-Executive Independent Director
Mr. Pravir Kumar Vohra
Non-Executive Director
Mr. Rajeev Kumar Sinha
Nominee Director (IDBI Bank Limited)
Mr. Sandeep Kumar Gupta
Nominee Director (Indian Bank)
Mr. Thompson P. Gnanam
Managing Director & Global CEO

COMMITTEES OF THE BOARD

AUDIT COMITTEE
Ms. Zohra Chatterji – Chairperson
Mr. Ashok Shah
Mr. Rajeev Kumar Sinha
Mr. Avtar Singh Monga

NOMINATION AND REMUNERATION COMMITTEE
Ms. Zohra Chatterji - Chairperson
Mr. Ashok Shah
Mr. Rajeev Kumar Sinha
Mr. Pravir Kumar Vohra

STAKEHOLDERS' RELATIONSHIP COMMITTEE
Mr. Ashok Shah - Chairman
Ms. Zohra Chatterji
Mr. Rajeev Kumar Sinha
Mr. Thompson Gnanam

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE
Mr. Ashok Shah – Chairman
Mr. Thompson Gnanam
Ms. Zohra Chatterji

RISK MANAGEMENT COMMITTEE
Mr. Avtar Singh Monga - Chairman
Mr. Thompson Gnanam
Mr. Ashok Shah

MANAGEMENT

Thompson P. Gnanam
Managing Director & Global CEO
Harish Shenoy
Chief Performance Officer
Mrinal Ghosh
Senior VP & CFO (Upto 14th September 2021)
Sreerupa Sengupta
Global Head of Human Resources
Sax Krishna
Chief Growth Officer NA & EMEA
Rangapriya Goutham
Chief Marketing Officer
Rajeev Limaye
Company Secretary, Head of Legal & Nodal Officer

COUNSEL/ LEGAL CONSULTANTS
Khaitan & Co

STATUTORY AUDITORS
GMJ & Co

CONTA CT DETAI LS
Business enquiries :
marketing@3i-infotech.com

Investor relations enquiries:
investors@3i-infotech.com

WEBSITE
https://www.3i-infotech.com/

BANKERS
IDBI Bank Limited
ICICI Bank Limited
Standard Chartered Bank

CORPORATE HEADQUARTERS

3i Infotech Inc.
450 Raritan Center Parkway
Suite B Edison, NJ
United States Of America (USA)
08837-3944
Tel:+1 732 710 4444

REGISTERED OFFICE

3i Infotech Ltd.
Tower # 5,
3rd to 6th Floors International Infotech Park,
Vashi, Navi Mumbai 400 703
INDIA
Tel : (+91 22) 7123 8000 / 6792 8000

OFFICES

UNITED ARAB EMIRATES

3i Infotech Middle East FZ LLC.
110, Bldg. No. 1,
Dubai Internet City ,
P.O. Box 9109, Dubai, U.A.E.
Tel:+971 (4) 5686500

3i Infotech Ltd.
X3 building, 2nd floor, office no 48-57 Sharjah Freezone,
Sharjah, U.A.E.
Tel: 971 (6) 5570383

3i Infotech Software Solutions LLC
Business Gate Center, Office 1011-23, Level 10, IBN Batuta Gate Jebel Ali 1, Dubai, UAE
Tel: 971 (4) 4517122

SAUDI ARABIA

3i Infotech Software Solutions LLC.
7-2 ,Unit -102,Al Jaber Jewellery Building, Khalidiya Street, Abu Dhabi, KSA
Tel: 971 (2) 633 3771

3i Infotech Saudi Arabia Ltd.
Office No. 104, 1st Floor, Al Mohammadiyyah District, 8011 Leaders Tower Business Center, 3282, Riyadh 12363 , KSA
Tel: 966 11 452 0004

3i Infotech Saudi Arabia Ltd.
Al Khobar City, Ishara Al Ameer, Bandar Street.18, KSA
Tel: 966 13 8969931

BAHRAIN

3i Infotech Middle East FZ LLC - Foreign Company Branch
Gulf Business Center,
Diplomatic Area, Al Salam Tower, Road 1708, Block 317, Manama 3282
Tel: 973 1753 6703

INDIA

3i Infotech BPO Ltd.
Tower # 5, 3rd floor,
International Infotech Park,
Vashi Station Complex,
Navi Mumbai – 400 703,
Maharashtra, India

3i Infotech Ltd.
3rd Floor, 'D' Block,
RMZ Centennial, Plot No.8D.
Doddanakundi Industrial Area,
ITPL Road, Mahadevapura Post,
Bengaluru – 560048
Tel:80 7180 0300

Professional Access Software Development Pvt. Ltd.
3rd Floor, Prince Infocity – II, R. S. Nos 283 / 3 & 283 / 4, Door No. 141, Kottivakam Village, Rajiv Gandhi Salai (OMR), Kandanchavadi, Chennai – 96
Tel: +9144 7162 20000

3i Infotech Ltd.
Plot No. 12, ICICI Towers,
Tower III, South Wing, 5th Floor,
Financial District,
Nanakramguda ,Gachibowli
Hyderabad – 500 032,
Telangana
Tel:(+91 40) – 7122 3200

3i Infotech Ltd.
C-57, SECTOR-57,
Gautam Budh Nagar,
NOIDA, UP -201301
Tel (+91 120) 712 8900

3i Infotech Ltd.
A-86, Sector-57,
Noida- UP – 201 301

SINGAPORE

3i Infotech Asia Pacific Pte. Ltd.
Regus Vision Exchange
2 Venture Drive,Level #24-01
Office 24077, Singapore 608526
Tel: 6914 9317

MALAYSIA

3i Infotech Sdn Bhd.
Suite 2A-7-2, Level -7
Block 2A, Plaza Sentral
Jalan Stesen Sentral 5
Kuala Lumpur Sentral
50470 Kuala Lumpur
Malaysia
Tel: 60 3 2786 8500

THAILAND

3i Infotech (Thailand) Ltd.
No 4,4/5 Central Tower 12th Floor, Room No.1275 - 1276 ,Rajdamri Road, Pathumwan Sub district, Pathumwan District
Bangkok 10330
Tel: 6626979075

AFRICA

3i Infotech (South Africa) (Pty) Ltd.
33 Ballycare drive, Ballywoods Office Park, Cedarwood House, ground floor Bryanston, Johannesburg, South Africa
Tel: 27 10 007 5700

3i Infotech (Middle East) FZ-LLC.
Presidential Floor, Movenpick, Ambassador Hotel Accra, Independence Avenue, Ridge, Accra, Ghana
Tel: 233 30 263 3222

Fast Facts

- 3i Infotech is a Global Information Technology Company with a revenue of USD 81.1 million
- The Company's quality certifications include
    - ISO 9001:2015 – valid up to September 2024, issued by BSI
    - ISO 27001:2013 – valid up to October 2022, issued by BSI
    - ISO 20000:2018 – valid up to September 2023, issued by BSI
    - ISO 9001:2015 (BPO) – valid up to March 2024, issued by Intertek
- More than 4000 employees in over 31 offices
- Over 480+ customers in more than 15+ countries across 4 continents
- Operational Geographies are: Asia Pacific, South Asia, Middle East & Africa, Kingdom of Saudi Arabia, Europe and North America

3i Suite of Products & Services: building on strengths & exploring new spaces

The NuRe Suite of Solutions

NuRe 3i- Cloud platform that simplifies your Business

NuRe 3i avails design, construction and managing full-stack cloud solutions and maintain crucial operational applications carrying the Eco-system in the cloud. 3i Infotech enables businesses with modern cloud technologies which are accessible, and makes sure it runs seamlessly once adopted.

NuRe 3i is highly scalable, Agile, Cost Optimized with enhanced Performance and Security.

NuRe 3i+ Powered by Oracle

NuRe 3i+ is an enterprise-grade cloud converged infrastructure that allows customers to efficiently consolidate business critical middleware and application workloads on the Oracle OCI (public cloud) or at the edge (Oracle cloud@customer). NuRe 3i+ and Oracle collaborate to provide a powerful, single-vendor, application and database platforms for today's data driven enterprises. NuRe 3i+ helps verticals like banking, financial & insurance services (BFSI), public and government sectors, healthcare, media, and entertainment to seamlessly migrate to NuRe 3i+ platforms.

NuRe 3i+ enables organizations to meet demanding regulatory, data sovereignty, and application latency requirements while using modern Oracle Cloud Infrastructure services and customer SaaS/ PaaS based applications in their choice of city/country. Customers increase control and governance of their data and operations with simplified and standardized operational policies that can be applied to all workloads.

NuRe Desk

3i Infotech's NuRe Desk provides comprehensive, Zero trust-based end user computing solutions, enabling secure and instant access to business applications from anywhere, any device and over any network.

NuRe Desk's digital workspace suite includes Desktop as a Service, Application Access Gateway and Identity & Access Management solutions, helping organizations to swiftly enable work from anywhere within days removing the need for costly on-premises hardware, management, and maintenance. This flexible solution reduces costs while increasing productivity and security. NuRe Desk is a cloud service that makes cloud desktops and apps available to everyone.

NuRe Edge

Existing cybersecurity approaches and technologies no longer provide the levels of security and access control modern digital organisations need.

Remote workforces and the move to the cloud are the latest changes facing digital businesses, and they demand New Security Architecture for a smooth transition. Today, IT organisations seek a new model for delivering low-latency network and security services for employees in a distributed, cloud-oriented and hybrid model.

With NuRe Edge, get consolidated secure access services in one single platform. Do away with complexity and higher costs! Get rid of inefficient and costly AND traditional multiple products approach. With our NuRe Edge SASE, our customers save Over 50% in Operating Costs and can focus on growing their business safely.

3i EnGRC

EnGRC delivers on the enterprises commitment to compliance and good governance by providing comprehensive and relevant governance related insights to the Board and Senior Management.

Our comprehensive Governance, Risk and Compliance platform addresses every need that's on the CIO and CTO's RADAR today.

EnGRC automates your workflows and provides meaningful governance related insights to the board and senior management to enable real-time decision making and reporting. a collaboration module and integrated DMS takes spreadsheets and manual processes out of your team's day and gives you the freedom to focus on high-value activities that help your organization achieve its goals.

- Risks & Opportunities addressed by all lines of defence in one coordinated platform
- Provides ease in evidence generation, annotation, and retrieval with a complete audit trail.

SaaS and beyond: Altiray® - a comprehensive solutions portfolio

3i Infotech's Application, Automation & Analytics Services Unit aims to catalyze digital adoption for enterprises of all sizes. With built-in end-to-end framework elements, our software suite is easy- to-use, well-suited for agile implementation, and takes care of your entire process management, so you can focus on balancing other business KPIs.

MAGGIE™

MAGGIE™ is an Integrated Intelligent Process Automation Solution with AI/ ML at the core. It is an inclusive technology and can be used by any business – big or small. Its ease-of-use lets enterprises create a culture of innovation within to turn great ideas into impactful solutions.

Flexib™

Digital First Test Automation Platform, is a unique digital testing platform to accelerate QAOps (Quality Assurance in DevOps) for Functional and Non-functional test automations in a DevOps and non-DevOps environments. Flexib™, as a single platform, helps induce quality very early in the SDLC lifecycle.

Few salient features include
- Static Code Analysis for code quality through early detection of bottleneck and performance issue
- Continuous Testing pipelines for Functional smoke and regression automation, Performance test, Vulnerability and Penetration test till deployed in the production environment
- Monitoring Application Performance in the live environment for quick turnaround
- On cloud or on-premises Managed service offering

Organizations can achieve faster time to market with 50% reduction in the testing efforts, Performance & Security recommendations, Decision enabling Reports and Dashboards.
For any organization, DevOps play a vital role in increasing agility, speed and reducing costs. While DevOps has broken silos that once existed between testing, development, and operation teams, several organizations fail to address the safety requirements in software development. DevSecOps was created to inject security into the DevOps lifecycle. With Flexib™, enterprises can now embrace DevSecOps, accelerate testing and application monitoring.

Flexib is a unique one-stop platform for functional and non-functional automation. It easily fits in with any DevSecOps environment by providing continuous QAOps. Enterprises can now ramp up testing to deliver flawless products and applications faster in a rapid delivery environment, emphasizing customer satisfaction.

Momenta™

Momenta™ is a solution with integrated AI, Data Science Analytics Platform catering to Banking, Insurance, Telecom, Lending, T&D businesses. Key features include:

- Micro Services based Architecture
- Rest API based Communication
- Horizontally & Vertically Scalable
- Secure, Multitenant
- Data Analytics Platform with Hybrid Integration Capabilities

3iAires™

Delivering a practical omnichannel experience isn't just about gaining a competitive edge – it helps sustain growth. The 3iAires™ Suite digitizes your enterprise's core processes to orchestrate a robust brand experience across all engagement channels. The platform's rich architecture helps enterprises remodel relationships with their customers through unified experiences across platforms, channels, and devices that are not only agile but ensure you stay relevant, future-proof your technology, and enhance time-to-market.

Universo™

Universo™ is a scheme management solution with modular and configurable options, developed completely on Open Source technologies to enable quick automation of the scheme management process, right from beneficiary management to benefit disbursement and reconciliation, through various intermediate processes (as applicable) e.g. electronic beneficiary registration, AADHAR / eKYC verification (verification by the respective system), approval workflow automation, etc. The generic framework solution requires the only configuration of the product as per business rules for a scheme framework. Universo™ eliminates repeated investments in software development for every scheme automation. Use of Open Source technology for the development of the solution providers and eliminate investment in license cost. The solution also contains a full-fledged document management system to create an electronic repository of supporting documents and fetch them as and when needed. The software can be accessed through an internet browser, thus eliminating the need for any software on client systems. An integrated Management Dashboard provides an overview of various scheme performance on defined KPIs and allows to drill down on any of the KPIs for detailed analysis.

Business & Technology Consulting Services:

Leverage advanced digital capabilities and analytics driven process innovation with the advisory services of our consulting practice, built on a sound understanding of the intersection of business and technology. 3i Infotech, our Business & Technology Consulting Services offer a potent blend of Leverage strategic consulting, operational consulting, and flawless execution, powered by global delivery capabilities, to enable enterprises design and achieve their performance and transformational goals.

REFINING, REDESIGNING & REIMAGINING SOLUTIONS TO DELIVER VALUE

3i BPS Suite of Services

Digital CLM

The 3i The Digital CLM advantage has enhances the benefits of conventional solutions further with the use of data and analytics to create customer-specific campaigns taking customer experience and satisfaction to another new level.

Data Science as a Service (DSaaS)

- Data science as a service (DSaaS) transforms raw numbers into targeting solutions by breaking down unstructured data into bite-sized chunks that are useful for modelling & predicting market opportunities
- It involves data collection, preparing it for analysis, running analytical algorithms against the refined data and returning valuable insights
  DSaaS forms the foundation for AI & ML

Cognitive Dashboards and Decision Support / AI Studio

Data Science & Analytics practice brings in latest leading business-consulting skills in data science techniques to build models and solutions. Organizations need to redefine their application of analytics. AI needs to be:

- Engineered to scale
- Rapid experimentation
- Derive value to attract and retain customers

Digital Sales (Integrated Sales & Marketing Framework)

3i Digital BPS can offer a Data Science based Digital marketing and Omni channel Sales Operations coupled with Sales DNA led Governance driven process, relying heavily on digital implants like Omni Channel Platform, Virtual Assistants, AI / ML led agent skill monitoring and real time QA automation using Speech-to-Text engine.

Digital Debt Recovery

- Digital Skip Tracing using multiple social media APIs
- Soft collections using propensity modelling and 360 mapping
- Filed Collections and pick-ups

3i LUNIYO - Human to Humanoid Convergence (Back Office Automation)

- Touchless AI led data extraction and validation engine to read Customer Application Forms –
    - Auto Forms - CAFs relating to CASA, Credit Cards, Personal Loans, Home Loans etc.
    - Auto Invoice – Invoice processing
    - Auto Claims – Insurance claim processing for Life / General
- F&A Automation (RPA for AR / AP)
- Onboarding Automation Portal for Customers / Sales
- Records Management & Storage, Asset Management

Digital HRO

RPMS

- Managed Services for Contact Centre Staff Augmentation – DRPMS (Digital Recruitment Process Management System using Psychometric / Behavior / Personality and Domain Assessment)
- Integrated Applicant Tracking System, LMS, Assessment & HRMS
    - 50% efforts saved for recruiters, improving efficiency
    - Removes the bias in selection
    - Brings visibility to client on all HR metrics
    - Better SLA performance for HR

Assessment & Evaluation

- Behavioral Personality Assessment
- Domain specific assessment (objection handling, customer orientation etc.)
- Psychometric depending on job profile (comm skills, Logical Reasoning etc.)

Productivity Enhancement – using Tech & People

- AI Machine Learning based Productivity Management with Goal Alignment & Behaviour Changing Insights / Nudges)
- Need to engage employees, manage productivity,
- Platform is AL enabled, sending nudges basis personality
- Facilitate Training requirements / refresher courses
- Helping in Goal Alignment
- Measure input metrics

Employee Related Analytics

- Identify Top & Low quadrant performers
- Predict likely attritions
- Help on where to hire, what academics are suited

Contents

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR 2020-21

Dear Shareholders,

Your Directors present the Twenty Eighth Annual Report (the "Report") of the Company along with the audited financial statements for the financial year ended March 31, 2021.

OVERVIEW

The Management is pleased to inform you that the Company has completed 5 consecutive years of good performance after completion of Debt Realignment Scheme ("DRS") package presented to the Lenders during FY 2015-16. Your Company has earned an operating revenue of ₹608.62 Crores and EBIDTA of ₹1.82 Crores for financial year ended March 31, 2021 on a consolidated basis.

During the year, the Board of Directors of the Company ("Board"), at its meeting held on December 28, 2020, and the shareholders of the Company, vide postal ballot concluded on February 28, 2021, have approved, subject to receipt of requisite approvals, A] sale of the global software products business 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) sale of the Company's intellectual property rights relating solely to the Product Business outside India, on an "as is where is" basis to Azentio Singapore. The Company and its subsidiaries in relevant jurisdictions executed inter alia business transfer agreements (BTA) with Azentio on December 28, 2020 towards this transaction. Aggregate consideration for the aforesaid transaction is INR 1000,20,00,000 (Indian Rupees One Thousand Crores Twenty Lakhs), subject to customary working capital and other adjustments in accordance with the provisions of the BTA and other transaction related documents. The slump sale has been completed on March 31, 2021, except for subsidiaries in Saudi Arabia and Thailand where regulatory approvals are yet to be received.

The Board of Directors, at their meeting held on January 22, 2021, had approved the amendment in terms of 0.01% Cumulative Non-Convertible Redeemable Preference Shares of ₹5/- each ("Class A Preference Shares") and 0.10% Cumulative Non-Convertible Redeemable Preference Shares of ₹5/- each ("Class B Preference Shares"), which are due for redemption on March 15, 2026 in terms of Section 48 of the Companies Act, 2013 (the "Act"). Later, Class A Preference Shareholders and Class B Preference Shareholders had vide resolution passed through Postal Ballot on February 28, 2021, the results of which were declared on March 2, 2021, accorded their approval for amendment in terms of Class A Preference Shares and Class B Preference Shares. Pursuant to receipt of requisite approvals from Preference Shareholders i.e. Class A and Class B Preference Shares were redeemed on May 27, 2021 except one class B preference shareholder.

During FY 2020-21, the Company has filed a Scheme of Arrangement between the Company and its Shareholders under Sections 230 to 232 of the Act, with the stock exchanges with a view to reduce the issued, subscribed and paid-up equity share capital of the Company to one tenth to set off the amount so released against the accumulated losses of the Company, thereby having a positive impact on the reserves and surplus of the Company. The detailed update on this point is given separately in this Report under scheme of arrangement .

CRISIL Limited has rated the Company as "CRISIL BBB-/Watch Developing" in respect of the long term bank loan facilities of the Company in January 2021. One of the other rating agencies, CARE has rated the Company as "CARE BBB-;Stable" in October 2021.

Financial Performance of the Company on Standalone and Consolidated basis:

₹ in Crores

Particulars	Standalone		Consolidated	
	2020-21	**2019-20**	**2020-21**	**2019-20**
Total Revenue (I)	250.42	300.48	632.21	717.76
Total Expenses (II)	286.74	244.81	351.38	765.21
Total Exceptional items (III)	290.51	-	-	-
Profit / (Loss) before Tax (I-II+III)	**254.19**	**55.68**	**280.83**	**(47.45)**
Tax expense				
Current Tax	-	-	23.06	13.43
Deferred Tax	-	-	-	-
Adjustment of tax relating to earlier periods	0.15	0.07	-	-
Profit / (Loss) for the year	**254.04**	**55.61**	**257.77**	**(60.88)**
Profit/(loss) for the year from Discontinued Operations	**70.37**	**72.29**	**133.39**	**128.90**
Other Comprehensive Income				
A. Other Comprehensive income not to be reclassified to profit and loss in subsequent year:				
Remeasurement of gains / (losses) on defined benefit plans	(2.80)	1.41	(4.43)	3.05
Income tax effect	-	-	0.46	(0.07)
B. Other Comprehensive income to be reclassified to profit and loss in subsequent years:				
Other Comprehensive income for the year, net of tax	-	-	-	-
Total Comprehensive income for the year	**321.61**	**129.30**	**387.19**	**71.00**
Profit for the year attributable to:				
Equity holders of the parent	-	-	391.16	67.60
Non-controlling interests	-	-	-	0.42
Other Comprehensive income for the year attributable to:				
Equity holders of the parent	-	-	(3.97)	2.98
Non-controlling interests	-	-	-	-
Total Comprehensive income for the year attributable to:				
Equity holders of the parent	-	-	387.19	70.58
Non-controlling interests	-	-	-	0.42
Earnings per equity share for profit attributable to equityshareholders				
Basic EPS	2.01	0.79	2.42	0.42
Diluted EPS	2.01	0.79	2.42	0.42

Standalone sales and other income for FY 2020-21 stood at ₹ 250.42 Crores as against ₹300.48 Crores for FY 2019-20. On a consolidated basis, sales and other income for FY 2020-21 stood at ₹ 632.21 Crores as against ₹717.76 Crores for FY 2019-20. After meeting all expenditures, the Company made a total comprehensive income of ₹ 387.19 Crores on a consolidated basis against total comprehensive income of ₹ 321.61 Crores on a standalone basis.

TRANSFER TO RESERVES

There is no amount proposed to be transferred to general reserve this year.

DIVIDEND

During the year, the Company has paid dividend of ₹6,377,607 as preference dividend as per the terms of issue of 0.10% Cumulative Non-Convertible Redeemable Preference Shares of face value ₹5/- each ("Class B Preference Shares") to Class B Preference Shareholders.

The Company has also paid a dividend of ₹65,000/- as preference dividend as per the terms of issue of 0.01% Cumulative Non-Convertible Redeemable Preference Shares of face value ₹5/- each ("Class A Preference Shares") to Class A Preference Shareholders for the Financial Year 2020-21.

As per the terms of the Master Restructuring Agreement ("MRA") dated March 30, 2012 entered into by the Company with IDBI Bank Limited, the Monitoring Institution and the CDR Lenders, the Company is prohibited from declaring or paying any dividend on its equity shares without prior approval of its Lenders.

In light of this, your Directors regret to state their inability to recommend any dividend on equity shares for the financial year ended March 31, 2021.

BUSINESS

The business activities of the Company are broadly divided into two categories, viz. IT Solutions and Transaction Services. The IT Solutions business comprises of Cloud Computing, Application-Automation-Analytics (AAA), Platform Solutions (BPaaS, KPaaS, GRC), Infrastructure Management Services, Application Development, Digital Transformation Consulting and NextGen Business services (5G, SASE, Edge Computing, Cognitive Computing, IIoT, Cyber Security Services, etc.) while Transaction Services comprise of BPS and KPO services covering management of back office operations. The Company has sold its software products business on March 31, 2021, while it continues to operate its services business.

Altiray®, the Company's Services landscape, is well integrated across domains and emerging technologies. Its digital frameworks are optimized to deliver the much-needed core transformation in businesses. Based on a curated technology stack, the solutions enable easy technology adoption and are effortlessly scalable. Mobility, together with new-age technologies like Blockchain, Artificial Intelligence, IoT, Augmented / Virtual Reality (AR/VR), is an imperative part of digital transformation and Altiray®'s offerings cater to all levels of the mobility maturity curve, covering Consulting, Design & Development, Data Testing, Support, Data Intelligence & Co-Innovation Services.

The contribution of IT Solutions to the revenue for the year was 91.34% and that of Transaction Services was 8.66%.

The Company has presence in more than 15 countries across 4 continents. The Company has a strong foothold and customer base in South Asia, Asia Pacific (APAC), Middle East and Africa (MEA), Kingdom of Saudi Arabia (KSA) and North America (US and Canada) and Europe geographies. The Company has marketing network around the world, including US, Europe, MEA and APAC.

During the year under review, the Board of Directors at their Meeting held on December 28, 2020, approved the slump sale of the global software products business of the Company (including its worldwide subsidiaries) on a going concern basis to Azentio Software Private Limited (and its affiliates), subject to the receipt of requisite approvals and executed inter alia a BTA between the Company and Azentio on December 28, 2020.

The Company's software product business consisting of the business, intellectual property and employees inter alia in India, USA, UK, Kenya, UAE, Malaysia, Singapore, Thailand and Saudi Arabia is being transferred under the BTA. The software product business in the offshore jurisdictions will be transferred pursuant to offshore business transfer agreements.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As on March 31, 2021, the Company had 23 subsidiaries (including step-down subsidiaries). The voluntary winding up of Elegon Infotech Limited, a wholly owned subsidiary of the Company based in China, was completed on June 28, 2021.

As on the date of this Report, the number of subsidiaries are 22 (twenty two). There has been no material change in the nature of the business of subsidiaries.

As per the first proviso to Section 129(3) of the Act read with Rule 5 of Companies (Accounts) Rules, 2014, the statement containing salient features of the financial statements of subsidiaries/ associate companies/joint venture in the prescribed Form AOC-1 is enclosed to the consolidated financial statements. This statement also mentions highlights of performance of subsidiaries/associate companies/ joint venture and their contribution to the overall performance of the Company during the year.

Pursuant to the provisions of Section 136 of the Act, the standalone and consolidated financial statements of the Company, along with relevant documents and separate audited accounts in respect of subsidiaries are available on the website of the Company.

This Report has been prepared based on the standalone financial statements of the Company and highlights the performance of the subsidiaries, associates and joint venture companies and their contribution to the overall performance of the Company during the period under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Particulars of loans, guarantees or investments granted/made during the year are given under the notes to standalone financial statements forming part of this Report.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, all the contracts/ arrangements/transactions entered into by the Company with related parties referred to in Section 188 of the Act were in the ordinary course of business and on an arm's length basis. During the year, the Company has not entered into any contract/arrangement/ transaction with related parties which could be considered material in accordance with the policy of the Company on related party transactions.

Since all related party transactions entered into by the Company were in the ordinary course of business and were on an arm's length basis, Form AOC-2 is not applicable to the Company.

The Company has in place a Policy on Materiality of Related Party Transactions and a Policy on dealing with Related Party Transactions. The said policy can be viewed on the Company's website by accessing the following link: https://www.3i-infotech.com/investors/ under "Corporate Governance" in the Investors` section.

Details regarding related party disclosures are given under the notes to standalone financial statements which form part of this Report.

SCHEME OF ARRANGEMENT

The Board of Directors, at its Meeting held on June 29, 2018 had approved a Scheme of Arrangement between the Company and its Shareholders under Sections 230 to 232 and other applicable provisions of the Act (the "Scheme"). The Scheme provided for a two-step process for reducing the equity share capital of the Company:

a) Reduction of equity share capital of the Company on the Record Date (as defined in the Scheme) by reducing the face value of the equity shares of the Company from ₹10 to ₹1. The capital so reduced was to be utilized to write off the accumulated losses of the Company and

b) Consolidation of 10 equity shares of the Company of ₹1 into one fully paid up equity share of the Company of ₹10 each immediately upon such reduction.

As already informed to the Members during FY 2020-21, the Company filed the draft Scheme with the Hon'ble National Company Law Tribunal (NCLT), Special Bench, Mumbai on May 25, 2020 seeking directions to convene equity shareholders' meeting towards approval of the Scheme. Pursuant to directions issued by NCLT Special Bench, vide its order dated June 1, 2020, the Company convened and held meeting of the equity shareholders of the Company on July 21, 2020 through video conferencing / other audio visual means, where the equity shareholders approved the Scheme with requisite majority. The NCLT granted an exemption to the Company from calling a meeting of its Preference Shareholders and Secured and Unsecured Creditors. The Company, thereafter, filed a petition with the Hon'ble NCLT, Mumbai Bench on August 3, 2020 seeking sanction/approval of the Scheme. NCLT admitted the petition on October 27, 2020 and later fixed February 2, 2021 for the final hearing and disposal of the petition. After the end of the financial year 2020-21, the matter was listed for pronouncement on April 26, 2021 and NCLT sanctioned the Scheme allowing the Company's application.

The Board of Directors, at its meeting held on August 10, 2021, fixed Tuesday, August 31, 2021 as the record date for the purpose of determining the shareholders whose shares will be reduced and consolidated pursuant to the Scheme approved by Hon'ble NCLT Mumbai Bench. In view of this, the trading in equity shares was temporarily suspended from the opening of business hours on August 30, 2021 till October 21, 2021. Later, on October 22, 2021 the equity shares of the Company got relisted on BSE Limited and National Stock Exchange of India Limited.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

The Company has sold its global software product business (including that of its worldwide subsidiaries) on a going concern basis to Azentio Software Private Limited (and its affiliates), subject to the receipt of requisite approvals and executed inter alia BTA between the Company and Azentio on December 28, 2020. The Company's software product business consisting of the business, intellectual property and employees inter alia in India, USA, UK, Kenya, UAE, Malaysia, Singapore, Thailand and Saudi Arabia is being transferred under the BTA. The software product business in the other jurisdictions will be transferred pursuant to offshore business transfer agreements.

Except above, there have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and as on the date of this Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS

During the year under review, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operation in future.

REPORT ON CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements. The Corporate Governance Report along with auditors' certificate thereon in terms of Regulation 34 read with Schedule V of SEBI LODR is appended herewith as ***Annexure I*** to this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of provisions of Regulation 34 of SEBI LODR, the Management Discussion and Analysis Report is given under a separate section forming part of this Report.

BUSINESS RESPONSIBILITY REPORT (BRR)

Regulation 34 of SEBI LODR mandates the inclusion of the BRR as part of the Annual Report for the top 1,000 listed entities based on market capitalization. In compliance with SEBI LODR, BRR forms part of this Report and is appended hereto as ***Annexure II***.

ANNUAL RETURN

In accordance with the Act, the annual return in the prescribed format is available at Company's website at the following link : https://www.3i-infotech.com/investors/ under Corporate Governance in the Investor's section.

CAPITAL

a) Preference Share Capital:

During the year under review, the Company has not allotted any preference shares to any of its Members.

As on March 31, 2021, the preference share capital of the Company was ₹7,027,607,980 consisting of 130,000,000 Class A Preference Shares of ₹5/- each and 1,275,521,596 Class B Preference Shares of ₹5/- each.

Pursuant to the terms agreed for sale of product business on a slump sale basis, the Board of Directors at their meeting held on January 22, 2021, approved amendment in terms of Class A and Class B Preference Shares, subject to approval of Preference Shareholders. The Company sought approval of preference shareholders for early redemption vide postal ballot, results of which were declared on March 2, 2021.

Accordingly, Class A and Class B Preference Shares were redeemed on May 27, 2021, except one class B preference shareholder.

b) Equity Share Capital:

1) Allotment under Employee Stock Options Scheme (ESOS):

The Company has not allotted any shares under ESOS during the year.

2) Allotments against conversion of Foreign Currency Convertible Bonds (FCCBs):

During the year, the Company has not allotted any Equity Shares against conversion of FCCBs.

The Company has neither issued equity shares with differential rights as to dividend, voting or otherwise nor any shares (including sweat equity shares) to the employees of the Company under any Scheme.

EMPLOYEES STOCK OPTION SCHEMES

As per SEBI Circular (CIR/CFD/POLICYCELL/2/2015) dated June 16, 2015 relating to requirements specified under the SEBI (Share Based Employee Benefits) Regulations 2014, details of the Employee Stock Option Schemes (ESOS) of the Company are given in ***Annexure III*** to this Report.

The Company has received a certificate from the Auditors of the Company that the share based scheme(s) are implemented in accordance with the SEBI (Share Based Employee Benefits) Regulations 2014 and the same is available for inspection by Members in electronic mode.

PUBLIC DEPOSITS

During the year, the Company has not invited/accepted any deposit under Sections 73 and 76 of the Act.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

During the year under review and thereafter, till the date of this Report, the following changes happened in the composition of the Board of Directors of the Company:

1. On June 5, 2020, due to amalgamation of Allahabad Bank with Indian Bank, Mr. Avaya Kumar Mohapatra (DIN: 07811921), Nominee Director (Allahabad Bank) resigned from the Board of Directors following withdrawal of his nomination by Allahabad Bank due to his transfer to Hyderabad.
2. On July 30, 2020, Dr. Shashank Desai (DIN: 00143638) resigned as an Independent Director from the Board of Directors of the Company due to his current and future work commitments. Dr. Desai also confirmed in his resignation letter that there were no other material reasons behind his resignation other than the reason mentioned above.
3. Mr. Pravir Kumar Vohra (DIN: 00082545) was appointed as an Additional Director (designated as Non-Executive Director) effective September 1, 2020. The Members at the Annual General Meeting held on December 23, 2020 regularized the appointment of Mr. Pravir Kumar Vohra as a Non-Executive Director effective September 1, 2020 and also approved payment of fees apart from sitting fees.

4. The tenure of Mr. Ashok Shah (DIN: 01194846) as an Independent Director ended on September 30, 2020. Accordingly, he was appointed as an Additional Director (designated as an Independent Director) with effect from October 1, 2020 to hold office for a second term as an Independent Director of the Company. In the opinion of the Board, Mr. Ashok Shah possesses requisite qualification, expertise and experience (including proficiency) to function effectively in the capacity of an Independent Director and add value to the Board of Directors of the Company. Hence, on the recommendation of Nomination & Remuneration Committee, the Board recommended his re-appointment as an Independent Director for the approval of the Members of the Company. The Members at the Annual General Meeting held on December 23, 2020, approved re-appointment of Mr. Ashok Shah as an Independent Director for a second term of 5 years effective October 1, 2020.
5. Mr. Sandeep Kumar Gupta (DIN-08911963) was appointed as Nominee Director - Indian Bank effective October 22, 2020 pursuant to nomination letter dated September 1, 2020 received from Indian Bank.
6. On October 25, 2020, Ms. Anjoo Navalkar (DIN-00270356) resigned as a Non-Executive Director from the Board of Directors of the Company due to her current and future work commitments.
7. Ms.Zohra Chatterji (DIN-01382511) was appointed as Additional Director (designated as an Independent Director) with effect from March 24, 2020. The Members, at the Annual General Meeting held on December 23, 2020, approved the appointment for Ms. Zohra Chatterji as an Independent Director of the Company for a term of 5 years effective March 24, 2020.
8. The Board at its meeting held on February 19, 2021 approved the appointment of Mr. Thompson Gnanam (DIN-07865431) effective March 18, 2021 as an Additional Whole-time Director (to be designated as CEO and MD- Designate) on the Board of the Company and also approved his terms of remuneration. Later, Mr. Thompson Gnanam was appointed as Managing Director and Global CEO effective April 1, 2021. The Members, vide resolution passed through Postal Ballot on September 19, 2021 also approved his appointment and terms of remuneration as Managing Director and Global CEO for a period of 5 years effective April 1, 2021.
9. Mr. Padmanabhan Iyer (DIN -05282942) resigned as Managing Director and Global CEO and CFO of the Company on April 1, 2021 as required under the product business sale transaction of the Company and was redesignated as Non-Executive Director of the Company effective April 1, 2021. Further, he resigned as Non-Executive Director on June 9, 2021.
10. Mr. Avtar Singh Monga (DIN-00418477) was appointed as an Additional (Independent Non-Executive) Director effective April 1, 2021. His appointment was approved by the shareholders vide Postal Ballot resolution passed on September 19, 2021.

As on the date of this Report, the Board of the Company consists of 7 Directors, out of which three are Independent Directors including [one woman Independent Director], two are Nominee Directors, one is Non-Executive Director and one is an Executive Director.

In accordance with Section 152 (6) and other applicable provisions of the Act read with Articles of Association of the Company, Mr. Pravir Kumar Vohra (DIN: 00082545) is liable to retire by rotation at the ensuing AGM of the Company and, being eligible, has offered himself for re-appointment. The Board recommends his re-appointment at the ensuing AGM for your approval. As stipulated under Regulation 36 of SEBI LODR, a brief profile of the Director proposed to be re-appointed is given in the Notice convening the ensuing AGM, which is included in the Annual Report 2020-21.

None of the Independent Directors have had any pecuniary relationship or transaction with the Company during Financial Year 2020-21, except to the extent of their directorship. None of the Directors or KMP of the Company is related inter-se, except to the extent of Directorship held by Mr. Pravir Kumar Vohra & Zohra Chatterji in the same company.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declaration from each independent director as per provisions of Regulation 25(8) of SEBI LODR and Section 149 (7) of the Act, that he/she meets the criteria of independence laid down in Regulation 16 (1)(b) read with Regulation 25(8) of SEBI LODR & Section 149 (6) of the Act.

NUMBER OF MEETINGS OF THE BOARD

Ten meetings of the Board of Directors were held during the year. The details of the same are given in Corporate Governance Report section that forms part of this Report. The intervening gap between two consecutive Board Meetings did not exceed 120 days.

POLICIES AS PER SEBI LODR

SEBI LODR mandated all Listed Companies to formulate certain policies. These policies are available on the website of the Company at https://www.3i-infotech.com/investors/ under "Corporate Governance" in the Investors` section. The policies, list of which is given below, are reviewed periodically by the Board and amended from time to time:

- Whistle Blower Policy;
- Policy on Remuneration of Directors, Key Managerial Personnel and other Employees;
- Corporate Social Responsibility Policy;
- Policy for determining Material Subsidiaries;
- Policy for determination of Materiality of event or information;
- Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions;
- Policy for Board Diversity;
- Policy for Preservation of Documents and
- Policy for Prohibition of Fraudulent and Unfair Trade Practices relating to securities.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The current policy is to have appropriate mix of Executive, Non-Executive and Independent Directors to maintain the independence of the Board. The Company has put in place a policy on Remuneration of Directors, Key Managerial Personnel (KMP) and other employees including criteria for determining qualifications, positive attributes, independence of directors and other matters provided under Section 178 (3) of the Act, the Policy can be viewed on the website of the Company by accessing the following link: https://www.3i-infotech.com/investors/ under "Corporate Governance" in the Investors` section.

PERFORMANCE EVALUATION OF THE BOARD OF DIRECTORS

In terms of the provisions of the Act and SEBI LODR, your Company has laid down criteria for performance evaluation of Directors and Chairman of the Board and also the process for such performance evaluation. Schedule IV of the Act states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated. The Company's policy relating to appointment and remuneration of Directors, KMPs and other employees, including criteria for determining qualifications, positive attributes and independence of a director are covered under the Corporate Governance Report, which forms a part of this Report.

It is a practice of the Board of Directors to annually evaluate its own performance and that of its committees and individual directors. Accordingly, the performances of the members of the Board as a whole and of individual directors during the year were evaluated as per provisions of the Act at the Board and Nomination and Remuneration Committee meetings held on November 8, 2021.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

As per provisions of SEBI LODR and the Act, the Company has formulated Familiarization Programme for Independent Directors. The same is available on the website of the Company at https://www.3i-infotech.com/investors/ under "Corporate Governance" in the Investors' section. At the time of appointment of an Independent Director, the Company issues a formal letter of appointment to an Independent Director outlining his/her role, function, duties, responsibilities, etc. The terms and conditions for appointment of Independent Directors are also available on the website of the Company at the location mentioned above.

The Board Members are provided with necessary documents/brochures, reports and internal policies to enable familiarizing them with the Company's procedures and practices. Periodic presentations are made at the Board Meetings on business performance updates of the Company, global business environment, business strategy and risk involved.

COMMITTEES OF THE BOARD

As on March 31, 2021, the Board has four mandatory committees:

i. Audit Committee,

ii. Nomination and Remuneration Committee,

iii. Stakeholders' Relationship Committee and

iv. Corporate Social Responsibility Committee.

A detailed note on the composition of the Board and its committees is provided in the Corporate Governance Report.

As per recent amendments in Regulation 21 of SEBI LODR, top 1000 listed entities determined on the basis of market capitalization as on March 31, 2021 are required to constitute Risk Management Committee. Accordingly, the Board of Directors at its meeting held on October 25, 2021, has formed Risk Management Committee comprising Mr. Avtar Singh Monga (Chairperson) , Mr. Ashok Shah and Mr. Thompson Gnanam.

VIGIL MECHANISM

In line with the provisions of the Act and SEBI LODR, the Company has devised and implemented a vigil mechanism in the form of "Whistle Blower Policy". As per the Policy, the Company has an internal committee comprising of the Head-HR and the Compliance Officer of the Company to oversee the functioning of the vigil mechanism as mandated by the Act and assist the Audit Committee thereunder. The Whistle Blower Policy framed by the Company is available on the website of the Company at https://www.3i-infotech.com/investors/ under Corporate Governance in the Investors` section.

The detailed information regarding the committees of the Board, including composition of the Audit Committee, has been given in the Corporate Governance Report which forms an integral part of the Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS

The Audited Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies, associates and joint ventures and form part of this Report. The Audited Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS").

INTERNAL FINANCIAL CONTROLS SYSTEMS AND THEIR ADEQUACY

Your Company has implemented adequate procedures and internal controls which provide reasonable assurance regarding reliability of financial reporting and preparation of financial statements. Your Company also ensures that internal controls are operating effectively.

STATUTORY AUDITORS

GMJ &Co., Chartered Accountants, were appointed as the Statutory Auditor of the Company to hold office for a period of five consecutive years from the conclusion of the 23rd Annual General Meeting held in 2016, till the conclusion of the 28th Annual General Meeting to be held in 2021.

Under Section 139 of the Act and the Rules made thereunder, the Company can appoint an audit firm as an auditor for two consecutive terms of five years and accordingly, the Board of Directors on recommendation of the Audit Committee has approved re-appointment of GMJ & Co. as Statutory Auditor of the Company for a second term of five years i.e. from the conclusion of the 28th Annual General Meeting to be held in 2021 , till the conclusion of the 33rd Annual General Meeting to be held in 2026, subject to the approval of the Shareholders.

The Company has received a consent from GMJ & Co. to act as a Statutory Auditor of the Company and a letter that their appointment is within limits prescribed under Section 141(3)(g) of the Act and that they are not disqualified. The Directors recommend their re-appointment for second term of five years.

STATUTORY AUDITOR`S REPORT

The Auditor's Report for the Financial Year 2020-21 does not contain any qualifications, remarks or reservations. The Auditor's Report is enclosed with the financial statements in this Annual Report.

SECRETARIAL AUDITOR`S REPORT

Pursuant to the provisions of Section 204 of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. BNP & Associates, Practicing Company Secretaries, to undertake the Secretarial Audit of the Company for the financial year 2020-21.

The Secretarial Audit Report is appended as ***Annexure IV*** to this Report. The Secretarial Audit Report does not contain any qualifications, reservations or adverse remarks.

REPORTING OF FRAUD BY AUDITORS

During the year under review, neither the statutory auditor nor the secretarial auditor has reported to the Audit Committee any instances of fraud committed against the Company by its officers or employees under Section 143 (12) of the Act, the details of which would need to be reported in the Board's Report.

SECRETARIAL STANDARDS

The Company complies with all the mandatory secretarial standards issued by the Institute of Company Secretaries of India as may be applicable.

LISTING ON STOCK EXCHANGES

The Company's equity shares are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and its Foreign Currency Convertible Bonds (FCCBs) are listed on Singapore Exchange Securities Trading Limited (SGX).

CONSERVATION OF ENERGY

Although the operations of the Company are not energy intensive, the management is highly conscious of the criticality of the conservation of energy at all operational levels. The requirement of disclosure of particulars with respect to conservation of energy as prescribed in Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is not applicable to the Company and hence are not provided.

TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

The Company continues to use the latest technologies for improving the productivity and quality of its services and products.

During the year, your Company has taken the following technology initiatives:

- Information and Cyber Security Awareness programmes;
- Strengthened its IPRs through technology innovation and appropriate security controls;

- Improved utilization and delivery productivity by use of LEAN IT techniques for project delivery and
- Partnerships with major technology providers and publishers for win-win relationships and go-to-market strategies.

RESEARCH AND DEVELOPMENT (R & D)

The solutions offered by the Company for various market segments are continuously developed and upgraded through the Global Development Centers (GDCs).

The GDCs function as the product research and development arm of the Company and focus on developing and expanding the Company's products and IPRs.

With a focus to further enhance the Company's software products based on market needs, the GDCs work in line with the Company's strategy for growth.

Expenditure on R & D **₹ in Crores**

Particulars	2020-21	2019-20
Revenue Expenditure	22.59	22.00
Capital Expenditure	-	-
Total	22.59	22.00
Total R&D expenditure as a percentage of total standalone revenue	10.87%	6.50%

QUALITY

The Company is committed to providing innovative and high quality products and services that meet or exceed customer expectations.

This includes-

- Maintaining a quality focus on continuous improvement to our Products, Process and Services and
- Process adherence and governance ensuring lower Defect & On Time delivery.

The Company's Quality Management System (QMS) addresses process required for entire Software Development Cycle (SDLC) and Project Management Life Cycle (PMLC) supported with industry standard templates and guidelines to ensure disciplined project execution, thereby transforming business from taking corrective & preventive measures to the state of predicting outcomes. This framework is designed based on the CMMi Process framework to enhance productivity and to reduce inefficiencies.

The Company has achieved CMMi Level 3 certification to meet the Company's commitment towards quality & business process with further plans to extend the certification to CMMi Level 5.

FOREIGN EXCHANGE EARNINGS AND OUTGO

a) Activities relating to exports, initiatives taken to increase exports , development of new export markets for products and services and export plans

Around 58.35% of the revenue of the Company is derived from exports.

b) Foreign Export earnings and expenditure

During the year 2020-21, the expenditure in foreign currencies amounted to ₹ 5.82 crores on account of cost of professional charges, cost of outsourced services and bought out items, travelling and other expenses and interest (excluding expenditure incurred by UAE Branch). During the same period, the Company earned an amount equivalent to ₹ 121.23 crores in foreign currencies as income from its operations abroad (excluding income from UAE Branch).

PERSONNEL

The Company has continued to improve the quality of Human Resource. The key facet has been better levels of productivity as compared to earlier years which has contributed in operating financial parameters showing a strong uplift. Regular interactions and career enhancements by way of bigger roles to talented employees have helped in strengthening the confidence of the employees in the tough financial scenario of the Company. The talent pipeline is looking healthy though attrition and retention remains a challenge for the industry and more so for the Company.

Your Company will continue to focus and build the human potential which would help in improving operating parameters in the coming year.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules is provided in a separate annexure forming part of this Report. Having regard to the provisions of the first provision to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the Members of the Company. In terms of Section 136, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

Disclosures pertaining to the remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in this Report as ***Annexure V.***

Prevention of Sexual Harassment at Workplace

The Company has in place a policy aiming at prevention of sexual harassment at all workplaces of the Company in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. The Company has complied with provisions relating to constitution of Internal Complaints Committee by setting up such Committee in the Company in accordance with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to consider and redress complaints received with respect to sexual harassment. The details of complaints received during the year are given separately in Corporate Governance Report.

CORPORATE SOCIAL RESPOSIBILITY (CSR)

In compliance with Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted a CSR Committee. A brief outline of the CSR policy of the Company and the statutory disclosures with respect to CSR Committee and an Annual Report on CSR activities for FY 2020-21 as required under Rule 8 (1) of the CSR Rules are set out in ***Annexure VI*** of this Report. The CSR Policy as recommended by CSR Committee and as approved by the Board is available on the website of the Company at https://www.3i-infotech.com/investors / under "Corporate Governance" in Investors' section.

During the year, the Company has not spent any amount on CSR activities in view of losses incurred as per provisions of the Act.

MAINTENANCE OF COST RECORDS

Maintenance of cost records as specified by the Central Government under the provisions of Section 148(1) of the Act is not required for the business activities carried out by the Company.

DISCLOSURE REQUIREMENTS

Disclosures required under SEBI LODR are provided in the Corporate Governance Report. The Corporate Governance Report along with auditor's certificate thereon, BRR and the Management Discussion and Analysis Report forms part of this Report.

FUTURE OUTLOOK

The business outlook and the initiatives proposed by the management to address its financial risks have been discussed in detail in the Management Discussion and Analysis Report which forms a part of this Report.

FORWARD LOOKING STATEMENTS

This Report along with its annexures and Management Discussion & Analysis Report contains forward-looking statements that involve risks and uncertainties. When used in this Report, the words 'anticipate', 'believe', 'estimate', 'expect', 'intend', 'will' and other similar expressions as they relate to the Company and/or its businesses are intended to identify such forward looking statements. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of their dates. This Report should be read in conjunction with the financial statements included herein and the notes thereto.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(5) of the Companies Act, 2013, your Directors hereby confirm that:

a) in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and profit of the Company for the financial year ended on that date;

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) they have prepared the annual accounts on a going concern basis;

e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and

f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

Further, the financial statements are prepared in accordance with Ind AS as prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Based on the reviews of internal, statutory and secretarial auditors, external consultants, the management and respective committees of the Board, the Board is of the opinion that the Company's system of internal financial controls was adequate and the operating effectiveness of such controls was satisfactory during the financial year 2020-21.

ACKNOWLEDGEMENTS

The Directors are thankful to the Members for their confidence and continued support. The Directors are grateful to the Central and State Government, Stock Exchanges, Securities & Exchange Board of India, Reserve Bank of India, Customs and other government authorities, Lenders, FCCB holders and last but not the least, its trusted clients for their continued support.

The Directors would like to express their gratitude for the unstinted support and guidance received from alliance partners and vendors.

The Directors would also like to express their sincere thanks and appreciation to all the employees for their commendable team work and professionalism.

For and on behalf of the Board

Sd/-	**Sd/-**
Ashok Shah	**Mr. Thompson Gnanam**
Chairman	**Managing Director and Global CEO**

November 8, 2021 at Navi Mumbai

Annexure I

CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2020-21

CORPORATE GOVERNANCE PHILOSOPHY OF THE COMPANY

The Company's philosophy on Corporate Governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising of regulators, employees, customers, vendors, investors and the society at large. Integrity, transparency, accountability and compliance with laws are the basis of good governance and also instrumental in Company's robust business practices to ensure ethical and responsible leadership both at the Board and Management levels.

Corporate Governance is viewed as both the structure of and relationships within a Company which determine corporate direction and performance. It is a guideline as to how the Company should be managed and operated in a manner that adds value to the Company and is also beneficial for all stakeholders in the long term.

The Company has a strong legacy of fair, transparent and ethical governance practices.

Your Company ensures that it evolves and follows the Corporate Governance guidelines and best practices. The Company expects to realize its vision by taking such actions as may be necessary in order to achieve its goals. In addition to complying with the statutory requirements, effective governance systems and practices towards improving transparency, disclosures, internal controls and promotion of ethics at workplace have been institutionalized. This enables the Company to build and sustain the trust and confidence of its stakeholders as well as strengthen the foundation for long term business success and sustainability. The Company complies with all the mandatory requirements of Corporate Governance stipulated under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 as well as those specified in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI LODR").

This Corporate Governance Report ("CG Report") is prepared in accordance with SEBI LODR.

I. BOARD OF DIRECTORS

The Company is managed and controlled through a professional Board of Directors ("Board") comprising of an optimum combination of Executive, Non – Executive and Independent Directors. The composition of the Board of the Company is in conformity with SEBI LODR. The Board ensures the Company's prosperity by collectively directing the Company affairs towards securing appropriate interests of its shareholders and stakeholders.

a. Size and Composition of the Board

The total strength of the Board as on the date of this Report is 7 (seven) consisting of 3 (three) Independent Non-Executive Directors, one of whom is the Chairperson of the Board and the other is an Independent Woman Director. The profiles of Directors can be found on https://www.3i-infotech.com/our-leadership/

The composition of the Board is in conformity with Regulation 17 of SEBI LODR. The composition of the Board and the directorships held by the Board Members as on the date of this CG Report are as under:

Name and Designation	Category	Date of appointment	Date of resignation	Number of directorships in other companies@	Number of Committee positions held in other Companies#		Directorships held in other listed entities along with category
					Chairperson	Member	
Mr. Ashok Shah - Chairman (DIN-01194846)	INED	1-Oct-20^	-	-	-	-	-
Dr. Shashank Desai - Director (DIN-00143638)	INED	23-Sept-15	30-Jul-20^^	NA	NA	NA	NA

Ms. Anjoo Navalkar-Director (DIN – 00270356)	NED	16-Nov-18	25-Oct-20^^^	NA	NA	NA	NA
Mr. Avaya Kumar Mohapatra - Director (DIN – 07811921)	ND	30-Nov-18	05-Jun-20$	NA	NA	NA	NA
Mr. Rajeev Kumar Sinha-Director (DIN-01334549)	ND	14-Jun-19	-	-	-	-	-
Ms. Zohra Chatterji – Director (DIN-01382511)	INED	24-Mar-20**	-	3	-	2	-
Mr. Pravir Kumar Vohra-Director (DIN-00082545)	NED	1-Sept-20***	-	4	2	3	Thomas Cook (India) Limited – INED IDFC First Bank Limited – INED
Mr. Sandeep Kumar Gupta – Director (DIN – 08911963)	ND	22-Oct-20@@	-	-	-	-	-
Mr. Avtar Singh Monga – Director (DIN-00418477)	INED	1-Apr-21@@@	-	1	-	-	-
Mr. Thompson Gnanam – Managing Director and Global CEO (DIN-07865431)	ED	18-Mar-21##	-	-	-	-	-
Mr. Padmanabhan Iyer – Director (DIN-05282942)	NED	11-Aug-16###	9-June-21	NA	NA	NA	NA

Legend: INED – Independent Non-Executive Director, NED – Non-Executive Director, ND – Nominee Director, ED – Executive Director

@ Excludes Directorships in private limited companies, foreign companies and companies formed under Section 8 of the Companies Act, 2013 (the "Act").

Includes Membership/Chairpersonship only in the Audit Committee and Stakeholders' Relationship Committee.

^ Was appointed as an Additional Director (designated as an Independent Non-Executive Director) on October 1, 2020, subject to the approval of shareholders at the 27^{th} Annual General Meeting (AGM) of the Company. At the 27^{th} AGM held on December 23, 2020, appointment of Mr. Ashok Shah as an Independent Director for a second term of five years was approved by the shareholders. Mr. Shah was originally appointed as Director on the Board of the Company on December 1, 2011. He was later appointed as an Independent Non - Executive Director for a period of five years on October 1, 2015.

^^ Resigned on July 30, 2020 as an Independent Director from the Board of Directors of the Company due to his current and future work commitments. Dr. Desai was orginally appointed as Director on the Board of the Company on November 3, 2014.

^^^ Resigned on October 25, 2020 as a Non-Executive Director of the Company.

$ Resigned on June 5, 2020 pursuant to withdrawal of nomination by Allahabad Bank (now Indian Bank) in its capacity as a Corporate Debt Restructuring ("CDR") Lender.

** Was appointed as an Additional Director (designated as an Independent Director) on March 24, 2020, subject to approval of shareholders at the 27th AGM of the Company. At the 27th AGM held on December 23, 2020, appointment of Ms. Zohra Chatterji was approved by the shareholders for a term of 5 years.

*** Was appointed as an Additional (Non-Executive) Director on September 1, 2020, subject to approval of shareholders at the 27th AGM of the Company. At the 27th AGM held on December 23, 2020, Mr. Pravir Kumar Vohra's appointment was approved by the shareholders.

@@ Was appointed as a Nominee Director pursuant to nomination by Indian Bank in its capacity as a CDR Lender.

@@@ Was appointed as an Additional (Independent Non-Executive) Director effective April 1, 2021.His appointment was approved by the shareholders vide Postal Ballot resolution passed on September 19, 2021.

Was appointed as an Additional Whole Time Director (designated as CEO and MD – Designate) effective March 18, 2021 and was further appointed as Managing Director and Global CEO effective April 1, 2021. His appointment was approved by the shareholders vide Postal Ballot resolution passed on September 19, 2021.

Was appointed as an Executive Director effective May 18, 2016 and was further appointed as Managing Director and Global CEO effective August 11, 2016. Later, his designation was changed from Managing Director and Global CEO & CFO to Non-Executive Director effective April 1, 2021 as required under the product business sale transaction of the Company. Further, he resigned as Non-Executive Director on June 9, 2021.

None of the Directors or Key Managerial Personnel (KMP) of the Company are related inter se.

None of the Directors on the Board holds directorship in more than ten public companies or seven listed entities. None of the Independent Director serves as an Independent Director on the boards of more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2021 have been made by the Directors. All Directors of the Company fulfill the requirements of maximum number of directorships laid down by Regulation 17 of SEBI LODR as on March 31, 2021 and as on the date of this CG Report.

Further, none of them is a member of more than ten committees or chairperson of more than five committees across all public companies in which he/she is a Director.

b. Board qualifications, expertise and attributes

The Board comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contribution to the Board and its committees. The Board members are committed to ensure that the Board is in compliance with the standards of Corporate Governance.

The Board has identified following key qualifications, skills and attributes as required for the effective functioning of the Company and which are currently available with the Board:

Global business	Experience in driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures and regulatory frameworks and a broad perspective on global market opportunities.
Strategy	Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies for the growth of the Company.

Finance	Qualifications and experience in accounting and/or finance and the ability to: • analyse key financial statements; • critically assess financial viability and performance; • contribute to strategic financial planning and • oversee budgets and the efficient use of resources and oversee funding arrangements and accountability.
Information Technology	• Background in technology, resulting in knowledge of how to anticipate technological trends, generate disruptive innovation and extend or create new business models. • Understanding the current drivers of innovation in the information technology market and specifically in the software delivery and licensing and cloud computing sectors. Experience in delivering new product offerings in response to market demand to achieve market leadership.
Risk	Ability to identify key risks to the organization in a wide range of areas including legal and regulatory compliance and monitor risk and compliance management frameworks and systems.

The specific areas of focus and expertise of individual Board members is given below. However, absence of mention regarding an area of expertise against a member's name does not necessarily mean that the member does not possess the corresponding qualification or skill.

Name of the Director	Area of Expertise
Mr. Ashok Shah Chairperson and Non-Executive – Independent Director	• Global Business • Strategy • Finance • Risk
Ms. Zohra Chatterji Non-Executive – Independent Director	• Global Business • Finance • Risk
Dr. Shashank Desai ^ Non-Executive - Independent Director	• Global Business • Finance • Risk
Mr. Avtar Singh Monga* Non-Executive – Independent Director	• Global Business • Finance • Risk • Information Technology
Ms. Anjoo Navalkar^ Non-Executive Director	• Global Business • Information Technology • Risk
Mr. Pravir Kumar Vohra** Non-Executive Director	• Global Business • Information Technology • Strategy
Mr. Rajeev Kumar Sinha Nominee Director	• Global Business • Risk • Finance

Mr. Avaya Kumar Mohapatra^ Nominee Director	• Global Business • Strategy • Finance
Mr. Sandeep Kumar Gupta** Nominee Director	• Global Business • Risk • Finance
Mr. Thompson Gnanam** Managing Director and Global CEO	• Global Business • Finance • Risk • Information Technology • Strategy

* Appointed after end of FY 20-21.

** Appointed during the year.

^ Ceased to be a Director during the year.

c. Independent Directors

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/ profession and who can effectively contribute to the Company business and policy are considered by the Nomination and Remuneration Committee, for appointment as an Independent Director on the Board.

The Nomination and Remuneration Committee inter alia considers qualification, positive attributes, area of expertise and number of directorship(s) and membership(s) held in various committees of other companies by such persons in accordance with the Company's policy for selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation and takes appropriate decision.

Each Independent Director gives a declaration as required under Section 149(7) of the Act and Regulation 25(8) of SEBI LODR that he/she meets the criteria of independence as required under Section 149(6) of the Act and as per Regulation 16(1)(b) of SEBI LODR at the first meeting of the Board in which he/she participates as a Director and thereafter, at the first meeting of the Board held in every financial year. All Independent Directors maintain their limits of directorships as required under Regulation 17 of SEBI LODR. In terms of Regulation 25(8) of SEBI LODR, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. The Company has also received necessary declarations from the concerned Independent Directors regarding the compliance of independence criteria and based on the declarations received from Independent Directors, the Board is of the opinion that the Independent Directors fulfill the conditions specified in SEBI LODR and are independent of the management.

On July 30, 2020, Dr. Shashank Desai (DIN: 00143638) resigned as an Independent Director from the Board of Directors of the Company, due to his current and future work commitments. Dr. Desai also confirmed in his resignation letter that there were no other material reasons other than those provided.

Regulation 25 (3) of SEBI LODR and Section 149 (8) read with Schedule IV of the Act and the rules made thereunder mandate that the Independent Directors of the Company shall hold at least one meeting in a year, without the presence of non-independent directors and members of the Management.

The Ministry of Corporate Affairs ("MCA"), vide its circular dated March 24, 2020, had provided relaxation for the financial year 2019-20 to hold a separate meeting of Independent Directors as required as per para VII of Schedule IV to the Act. The Nomination and Remuneration Committee carried out evaluation of performance of the Directors and the Board as a whole during FY 2019-20 at its meeting held on July 28, 2020 as it was not possible to hold a separate meeting of Independent Directors for this purpose earlier in the year due to outbreak of COVID-19 pandemic.

A separate meeting of Independent Directors for FY 2020-21 was held on May 17, 2021 to enable the Independent Directors to discuss matters pertaining to Company affairs and evaluate the performance of the Non-Independent Directors and the Board as a whole.

Independent Director databank registration

Pursuant to a notification dated October 22, 2019 issued by the MCA, all Independent Directors have completed the registration with the Independent Director databank.

d. Board Meetings

Along with the matters mandated as per SEBI LODR, the Board at the meetings reviews key matters like operations and financial results, acquisitions, joint ventures, capital / operating budgets, findings/comments of the statutory, internal and other auditors, risk management, internal controls, issue of capital and other resource mobilization efforts, etc. The Board also regularly deliberates on the Company's positioning in the Indian and global IT scenario and adopts and approves the strategy for medium and long term growth.

During the financial year ended March 31, 2021, the Board met 10 (ten) times on May 22, 2020, July 28, 2020, October 22, 2020, November 20, 2020, December 03, 2020, December 17, 2020, December 28, 2020, January 22, 2021, January 28, 2021 and February 19, 2021. The intervening period between two Board meetings was well within the maximum period of 120 days as prescribed under the Act and SEBI LODR. During the year 2020-21, information as mentioned in part A Schedule II of SEBI LODR has been placed before the Board for its consideration.

The day-to-day matters concerning the business are conducted by the Executives of the Company under the directions of Managing Director with ultimate supervision of the Board. The Board holds its meeting at regular intervals to review and discuss the performance of the Company, its future plans, strategies and other pertinent issues relating to the Company. Meetings are governed by a structured agenda. All agenda items are backed by comprehensive background information to enable the Board to take informed decisions. The Board Members are presented in advance with the detailed agenda in respect of all Board meetings. The Board also undertakes periodical review of compliance reports and certificates of all laws applicable to the Company and its subsidiaries. On some occasions, experts are also invited who provide insights on complex matters.

Details of Board meeting and AGM attendance of Directors during financial year 2020-21:

Director	Attendance at the AGM held on December 23, 2020 through video conference	Number of meetings held during the tenure of the Director	Number of meetings attended	
			In person	Through tele/video conference#
Mr. Ashok Shah	✓	10	-	9
Dr. Shashank Desai*	NA	2	-	1
Ms. Anjoo Navalkar*	NA	3	-	3
Mr. Avaya Kumar Mohapatra*	NA	1	-	1
Mr. Rajeev Kumar Sinha	✗	10	-	8
Ms. Zohra Chatterji	✓	10	-	10
Mr. Pravir Kumar Vohra@	✓	8	-	8
Mr. Sandeep Kumar Gupta@	✗	7	-	4
Mr. Thompson Gnanam@	NA	-	-	-
Mr. Padmanabhan Iyer	✓	10	-	10

* Resigned during the year.

@ Appointed during the year.

The MCA, vide notifications dated March 19, 2020, June 23, 2020, September 28, 2020 and December 30, 2020 , has amended the Rule 4 of the Companies (Meetings of Board and its Powers) Rules, 2014. Accordingly, all the meetings from the commencement this amendment on March 19, 2020 and ending on June 30, 2021, may be held through video conferencing or other audio visual means in accordance with Rule 3 of Companies (Meetings of Board and its Powers) Rules, 2014. Accordingly, all meetings were held through video conference.

e. Appointment criteria, performance evaluation, age and remuneration of the Directors

The policy of the Company for appointment, performance evaluation, age and remuneration of Directors is as mentioned below:

Appointment criteria

The Nomination and Remuneration Committee (NRC) consists of 4 (four) Non-Executive Directors as on the date of this CG Report, of which half are Independent Directors as per provisions of the Act and SEBI LODR. NRC identifies, selects, nominates and recommends induction of Additional Directors on the Board. Based on the recommendations of NRC, the Board approves the appointment or re-appointment of Directors on the Board and their remuneration.

Performance Evaluation

Your Company has in place a Board evaluation framework setting out the process and the criteria for the performance evaluation which had been recommended by the NRC and approved by the Board. The said process is in line with the provisions of the Act and SEBI LODR.

Process of Performance Evaluation

The following process is being followed by the Company for performance evaluation of the individual Directors, including Independent Directors, Non-Independent Directors, Managing Director & Global CEO and Chairperson, Committees of the Board and the Board as a whole:

- Independent Directors collectively evaluate the performance of Non-Independent Directors as well as the Board as a whole.
- The NRC evaluates the performance of the Managing Director and Global CEO.
- The Board, excluding the Director being evaluated, evaluates the performance of the Independent Directors.
- Based on the recommendations of the NRC, the Board takes the appropriate action/steps.

Criteria of Performance Evaluation

The criteria for performance evaluation of individual Directors are inter alia:

- Quality of and regularity in participation in meetings and devotion of time to matters of the Company;
- Strategic direction, inputs, advice and contribution for long term stability and sustenance of the Company;
- Contribution to Board deliberations using their knowledge, skill, experience and expertise in relation to the business of the Company, industry, international, financial/investment banking, domestic/ global market and regulatory and other environment and its practical application towards the growth of the Company;
- Contribution towards accounting, finance, tax matters, general management practices, matters of international relevance;
- Level of commitment towards compliance of legal requirements, codes of conduct and corporate ethics and values;

- Working relationships with other Board Members and Senior Management and the Director's ability to communicate with and listen to others, within and outside the Board;
- Sensitivity towards the shareholders' wealth and interest of Company's customers, suppliers, employees and partners and
- Ability to analyse and review the performance of the management on behalf of and in the interest of the stakeholders and to give concrete suggestions for course corrections.

For performance evaluation of the Independent Directors, their independence criterion and their professional expertise and skills in their individual capacity as independent professionals are also considered.

In addition to the above, the parameters for performance evaluation of Managing Director & Global CEO are qualification, length of service, potential and the extent of being self-driven and self-motivated.

Remuneration Policy

As per provisions of SEBI LODR, the Company has formulated a policy of remuneration to Directors, Key Managerial Personnel (KMP) and other key employees. While deciding on the remuneration of Directors, the Board and the NRC take into consideration the performance of the Company, the current trends in the industry, the qualification of the appointee(s), their experience, past performance and other relevant factors. The Board/ NRC regularly keeps track of the market trends in terms of compensation levels and practices in relevant industries.

The detailed policy on remuneration to directors / KMP and other employees is uploaded on the Company's website at the following link: https://www.3i-infotech.com/investors/ under Corporate Governance, in the Investors' section.

Details of Remuneration / Compensation

In the financial year 2020-21, the Company did not pay remuneration by way of commission to the Non-Executive Directors of the Company for the financial year 2019-20. The NRC evaluates the performance of the Non-Executive Directors every year on the basis of well-defined parameters and discussions and its recommendations are placed before the Board. The Board considers the recommendations of the NRC while deciding the remuneration to be paid to the Non-Executive Directors. The quantum of sitting fee payable to Directors is ₹90,000 per meeting of the Board, ₹75,000 per meeting of the Audit Committee and ₹50,000 per meeting of any other committee of the Board. None of the Non-Executive Directors of the Company, except Mr. Pravir Kumar Vohra, has had any pecuniary relationship or transactions with the Company during the year, except to the extent of their directorship in the Company. During the financial year 2020-21, Mr. Pravir Kumar Vohra was paid ₹7,20,000 (excluding taxes) as professional fees for rendering IT consultancy services to the Company.

The details of the sitting fees paid to the Directors during the year 2020-21 are as given below:

Name of the Non-Executive Director	Total Sitting Fees (In ₹)		
	Gross	TDS	Net
Mr. Ashok Shah	1,735,000	130,125	1,604,875
Dr. Shashank Desai@	265,000	19,875	245,125
Ms. Zohra Chatterji	1,550,000	116,250	1,433,750
Ms. Anjoo Navalkar@	420,000	31,500	388,500
Mr. Avaya Kumar Mohapatra@	140,000	10,500	129,500
Mr. Sandeep Kumar Gupta#	360,000	27,000	333,000
Mr. Rajeev Kumar Sinha	995,000	74,625	920,375
Mr. Pravir Kumar Vohra#	720,000	54,000	666,000

* The sitting fees in respect of these Directors are paid to their respective employers as per their terms of appointment.

\# Appointed during the year.

@ Resigned during the year.

During the year, the Company paid remuneration to its whole time directors in accordance with and within the overall limits as per the provisions of Section 197 and other applicable provisions of the Act and rules thereunder, including any notifications/circulars issued by the MCA as per the details given below:

(in ₹)

Name of the Director	Salary, allowances, Incentives & Bonus	PF & other contribution	Perquisites	Total
Mr. Padmanabhan Iyer	23,313,690*	804,999	-	24,118,689
Mr. Thompson Gnanam	458,327	813	-	459,140

* includes performance bonus paid for FY 2019-20

During the financial year ended on March 31, 2021, none of the whole-time directors of the Company has received any remuneration or commission from any of its subsidiaries.

f. Number of shares, convertible instruments or options held by Directors as on March 31, 2021:

Name of the Director	Number of Shares	Number of options
Mr. Padmanabhan Iyer	1,920	87,30,000
Mr. Rajeev Kumar Sinha	5,000	–
Mr. Pravir Kumar Vohra	42,800	–
Mr. Thompson Gnanam	10,000	–

None of the other Directors hold any shares, convertible instruments or options of the Company as on March 31, 2021, except as disclosed above.

g. Code of Conduct

The Company has adopted a Code of Conduct for Board of Directors and Senior Management, which aims to inculcate the spirit of Corporate Governance in the affairs of the Company and promotes ethical conduct. The Code is available on the website of the Company at the following link: https://www.3i-infotech.com/investors/ in the Investors' section under the heading 'Corporate Governance'. Adherence to this Code is essential and any breach of the same attracts disciplinary action. All the Directors and Senior Management Personnel have affirmed compliance with the said Code of Conduct as on March 31, 2021.

A declaration to this effect signed by the Managing Director forms part of this CG Report.

h. Code of Conduct for Prevention of Insider Trading

The Company has instituted a comprehensive Code of Conduct for Prevention of Insider Trading for Directors and Designated Persons of the Company, its subsidiaries and their dependent family members in compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code lays down guidelines, which advise them on procedures to be followed and disclosures to be made, while dealing in the shares of the Company and cautions them of the consequences of violations.

The Company has also instituted a comprehensive Code of Conduct for Prevention of Insider Trading by Designated Persons of Intermediaries, Policy and Procedure for Inquiry in the event of Leak or Suspected Leak of Unpublished Price Sensitive Information and Code of Practices and Procedures for Fair Disclosure.

II. BOARD COMMITTEES

Currently, the Board has four Committees, viz.

a. Audit Committee;

b. Stakeholders' Relationship Committee;

c. Nomination and Remuneration Committee and

d. Corporate Social Responsibility Committee.

The Committees of the Board at present, their constitution and terms of reference are set out below:

a. Audit Committee

The Audit Committee which acts as a link between the management, external and internal auditors and the Board of Directors of the Company, is responsible for overseeing the Company's financial reporting process by providing direction to audit function and monitoring the scope and quality of Internal and Statutory Audits. The Audit Committee of the Company has been constituted in compliance with the provisions of Section 177 of the Act read with Regulation 18 of SEBI LODR.

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's financial reporting process and terms of reference of the Committee are as per the guidelines set out in SEBI LODR and Section 177 of the Act and inter alia, includes the following:

- Oversee the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommend the appointment / removal of Statutory Auditor(s)& Internal Auditor(s), fixing the audit fee and also approve the payment for any other services;
- Recommending the terms of appointment of auditors of the Company;
- Review with the Management, the quarterly/annual financial statements and the auditors' report thereon before submission to the Board, with particular reference to :
  - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013;
  - b) Changes, if any, in accounting policies and practices and reasons for the same;
  - c) Major accounting entries involving estimates based on exercise of judgment by management;
  - d) Significant adjustments made in the financial statements arising out of audit findings;
  - e) Compliance with listing and other legal requirements relating to financial statements;
  - f) Any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large and
  - g) Qualifications in draft audit report;
- Review with the management performance of external and internal auditors and the adequacy of internal control systems;
- Review the adequacy of internal audit function, reporting structure, coverage and frequency of internal audit;
- Discussion with internal Auditors any significant findings and follow up there on;
- Review the findings of any internal investigations by the internal Auditors into matters where there was suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

- Discussion with Statutory Auditors before the audit commences, nature and scope of audit as well as have post-audit discussion to ascertain any area of concern;
- Review the Company's financial and risk management policies;
- Evaluation of internal financial controls and risk management systems;
- Look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Reviewing the functioning of the Whistle Blower mechanism;
- Approving the appointment of Chief Financial Officer (CFO) before finalization of the same by the management. While approving the appointment, the Audit Committee shall assess the qualifications, experience and background etc. of the candidate;
- Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- Approving any subsequent modification of transactions of the Company with related parties;
- Monitoring the end use of funds raised through public offer and review with the Management, the statement of uses/ application of funds raised through an issue (public issue, right issue, preferential issue, etc), the statement of funds utilized for purposes other than those stated in the offer/document /prospectus /notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this manner;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Scrutinize inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments and
- To carry out any other function as may be required to be carried out by the Audit Committee under the Act, the listing agreement and all other applicable laws (including any statutory modification(s) or re-enactment thereof for the time being in force).

The composition of the Audit Committee as on March 31, 2020 was as under:

Director	**Position**
Dr. Shashank Desai	Chairperson
Mr. Ashok Shah	Member
Mr. Rajeev Kumar Sinha	Member

The Audit Committee was re-constituted by inducting Ms. Zohra Chatterji as a Member of the Audit Committee effective May 22, 2020. Thereafter, pursuant to resignation of Dr. Shashank Desai, the Audit Committee was further re-constituted by designating Ms. Zohra Chatterji as Chairperson of the Audit Committee effective July 30, 2020.

The composition of the Audit Committee as on March 31, 2021 was as under:

Director	Position
Ms. Zohra Chatterji	Chairperson
Mr. Ashok Shah	Member
Mr. Rajeev Kumar Sinha	Member

The Audit Committee comprises of Non-Executive Directors, majority of them being independent. The qualifications and expertise of the committee members are in line with requirements of SEBI LODR read with Section 177 of the Act. The Chairperson of the Committee is an Independent Director. The Managing Director & Global CEO, CFO, Internal Auditors and Statutory Auditors attend the meetings of the Audit Committee as invitees. The Company Secretary acts as the Secretary to the Audit Committee. The Chairperson of the Audit Committee attended the previous AGM held on December 23, 2020.

The Committee met 5 (five) times during the year 2020-21 on May 22, 2020, July 28, 2020, October 22, 2020, December 28, 2020 and January 28, 2021. The time gap between any two Meetings was less than 120 days as prescribed under SEBI LODR.

Meetings attended by the Committee members during the year:

Director	Number of meetings held during the tenure of the Director as a Member of the Committee	Number of meetings attended
Ms. Zohra Chatterji	4	4
Mr. Ashok Shah	5	5
Dr. Shashank Desai	2	1
Mr. Rajeev Kumar Sinha	5	1

b. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee of the Company was constituted by the Board in compliance with the provisions of Section 178 of the Act read with Regulation 20 of SEBI LODR to look into the redressal of shareholders'/investors' complaints, such as transfer of securities, non-receipt of dividend, notice, Annual Reports and all other securities holder related matters.

The terms of reference of this Committee, inter alia, include:

- Allot to the applicants, shares and other securities issued by the Company from time to time including allotment under Employee Stock Option Scheme as amended from time to time;
- Approve transfers duly lodged for registration of transfer of shares and other securities issued and that may be issued from time to time;
- Approve or reject application for transmission of shares and other securities with and without any legal representation (i.e. probate, letter of administration, succession certificate etc.) in the name(s) of the legal heir(s) or such other person on such terms and conditions as the Committee might deem fit;
- Reject applications for transfer of shares and other securities based on the normal technical-grounds and as per any prevailing law or order;

- Lay down suitable procedure and approve issue of duplicate certificates of shares and other securities;
- Approve printing of such number of certificates of shares and other securities as the Committee might deem fit and lay down procedure(s) for their issue(s), safe keeping and proper maintenance of records etc.;
- Decide account(s) to be opened/closed with any bank(s) in India for the purpose of payment of interest/dividend or for such other purpose relating to shares or other securities and to authorise such of the executive (s) or officer(s) of the Company or any other person(s) as the Committee might deem fit to open / close and operate bank account(s) already opened for said purposes;
- Decide the stock exchange(s)/depository(ies) in India or abroad, on which shares or other securities issued by the Company to be listed or delisted including offering/issuing such shares/ securities through depositories;
- Fix record date and determine closure of Register of Members and Transfer books for the purpose of payment of dividend, interest, issue of rights/bonus shares or for such other purpose as Committee might deem fit;
- Delegate the authority in respect of any or all of the above matters to any person(s), including but not restricted to the employees of its registrars to the issue and transfer agents, as may be permissible in law and on such terms and conditions as the Committee might deem fit and revoke and substitute such delegation;
- Authorize such of the officers of the Company or any other person for:
  a) Revalidation of dividend and interest warrants, issue of duplicate dividend and interest warrants and endorsement for payment of the same to the mandatees and successors;
  b) Signing and make endorsement on shares and all securities of the Company in respect of issues so far made and might be made hereinafter in connection with the transfer or transmission of shares and other securities, the application in respect of which is approved by the Committee;
  c) Signing certificates of shares/other securities of the Company along with any two of the directors or their attorneys as witness to the seal of the Company to be affixed thereto in their presence in terms of the Companies (Share Capital and Debentures) Rules, 2014 and;
  d) Signing the fixed deposit receipts, pass through certificates and any other instruments.
- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non– receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
- Ensure that the notices, balance sheet, annual and other reports, and other documents contain adequate disclosures to the shareholders;
- Report to the Board about the important developments in the area of servicing of the shareholders;
- Taking initiatives for better servicing of the shareholders;
- Consider and resolve grievances of shareholders, debenture holders, deposit holders and other security holders of the Company;
- Redressal of shareholders' and investors' complaints such as non-payment of interest to debenture holders and deposit holders or any security holders, etc;
- Review of measures taken for effective exercise of voting rights by shareholders;

- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent and
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the Company and such other activities as the Board may determine from time to time.

The composition of the Committee as on March 31, 2020 was as under:

Name of the Director	Position
Mr. Ashok Shah	Chairperson
Dr. Shashank Desai	Member
Mr. Avaya Kumar Mohapatra	Member

On July 12, 2020, the Committee was re-constituted by inducting Mr. Rajeev Kumar Sinha as a Member pursuant to resignation of Mr. Avaya Kumar Mohapatra. Thereafter, on July 30, 2020, the Committee was further re-constituted by inducting Ms. Zohra Chatterji as a Member of Stakeholders' Relationship Committee pursuant to resignation of Dr. Shashank Desai.

The composition of the Committee as on March 31, 2021 was as under:

Name of the Director	Position
Mr. Ashok Shah	Chairperson
Ms. Zohra Chatterji	Member
Mr. Rajeev Kumar Sinha	Member

Majority of the Members of this Committee, including the Chairperson of the Committee are Independent Non– Executive Directors. Mr. Rajeev Limaye, Company Secretary, is Secretary to this Committee and the Compliance Officer of the Company.

The Committee met 4 (four) times during the year 2020-21 on May 22, 2020; July 28, 2020; October 22, 2020 and January 28, 2021.

Meetings attended by the Committee members during the year:

Director	Number of meetings held during the tenure of the Director as a Member of the Committee	Number of meetings Attended
Mr. Ashok Shah	4	4
Dr. Shashank Desai	2	1
Mr. Avaya Kumar Mohapatra	1	1
Mr. Rajeev Kumar Sinha	3	2
Ms. Zohra Chatterji	2	2

The status of investors' and shareholders' instructions and grievances received during the year is as below:

Particulars	Opening Balance as on April 1, 2020	Received	Processed	Pending as on March 31, 2021
Instructions	Nil	28	28	Nil
Grievances	Nil	Nil	Nil	Nil

c. **Nomination and Remuneration Committee**

Nomination and Remuneration Committee has been constituted in compliance with the provisions of Section 178 of the Act read with Regulation 19 of SEBI LODR and acts as a Board Governance cum Compensation Committee.

The terms of reference of this Committee inter alia include:

- Assist the Board in identifying the prospective directors and select or recommend to the Board in filling up vacancies in the offices of directors and appointment of additional directors of the Company and its subsidiaries;
- Evaluate the current composition, organization and governance of Board and its committees, Board of its subsidiaries, determine future requirements and make recommendations to the Board for approval;
- Ensure that the Board and the Board of its subsidiaries is properly constituted to meet its fiduciary obligations, the corporate governance principles and best practices;
- Determine the Directors who shall be liable to retire by rotation;
- Appointment of whole-time directors;
- Oversee the evaluation of the Board and management;
- Formulate the code of ethics and governance;
- Conduct succession planning and work with the Board for evaluating the potential successors to executive management positions;
- Co-ordinate and approve Board and Committee meeting schedules;
- Review of the terms of reference and annually review its own performance and subject it to the assessment by the Board;
- Identify persons who may be appointed in senior management in accordance with criteria laid down, recommend to the Board their appointment and removal;
- Formulate the criteria for determining qualifications, positive attributes and independence of a director;
- Formulate criteria for evaluation of Independent Director and the Board;
- Devise a policy on Board diversity;
- Evaluate and recommend to the Board, the compensation plan, policies and programs for executive directors and senior management;
- Review performance of whole-time directors and whole-time directors of the subsidiaries nominated by the Company on its Board and to recommend the remuneration payable to them from time to time by way of salary, perquisites, commission, allowances, performance bonus, stock options etc;
- Approve the policy for and quantum of bonus payable to the members of the staff;
- Frame/modify the Employees Stock Options Scheme and recommend granting of stock options to the staff and whole-time directors of the Company and the group companies;
- Make recommendations to the Board in respect of the incentive compensation plans;
- Recommend to the Board a policy relating to remuneration for the directors, key managerial personnel and other employees and
- Recommend to the Board, all remuneration, in whatever form, payable to senior management.

The composition of the Committee as on March 31, 2020 was as under:

Director	Position
Dr. Shashank Desai	Chairperson
Mr. Ashok Shah	Member
Ms. Anjoo Navalkar	Member

On May 22, 2020, the Committee was re-constituted by inducting Mr. Rajeev Kumar Sinha as a Member of this Committee. Thereafter, on July 30, 2020, the Committee was re-constituted by inducting Ms. Zohra Chatterji as a Chairperson of this Committee pursuant to resignation of Dr. Shashank Desai, Ms. Anjoo Navalkar stepped down from the Committe following her resignation from the Board of the Company on October 25 , 2020.

The composition of the Committee as on March 31, 2021 was as under:

Director	Position
Ms. Zohra Chatterji	Chairperson
Mr. Ashok Shah	Member
Mr. Rajeev Kumar Sinha	Member

The Committee met 7 (seven) times during the year 2020-21, on May 22, 2020; July 28, 2020, October 22, 2020; January 28, 2021; February 19, 2021; March 4, 2021 and March 12, 2021.

Meetings attended by the Committee members during the year:

Director	Number of meetings held during the tenure of the Director as a Member of the Committee	Number of meetings Attended
Ms. Zohra Chatterji	5	5
Dr. Shashank Desai	2	1
Mr. Ashok Shah	7	7
Ms. Anjoo Navalkar	3	3
Mr. Rajeev Kumar Sinha	6	2

All the Members of the Committee are Non-Executive Directors with majority being Independent Directors. The Chairperson of the Committee is an Independent Director. The Chairperson of the Board is a Member of the Committee but does not chair the Committee.

d. Corporate Social Responsibility (CSR) Committee

As required under Section 135 of the Act, the Board, at its meeting held on May 2, 2014, constituted a Committee for looking exclusively into the CSR initiatives of the Company.

The terms of reference of the CSR Committee inter alia include:

- Consider and formulate the Company's value and strategy with regard to CSR, develop and review the Company's CSR policies and recommend the amount of expenditure to be incurred on activities indicated in the said CSR policies;
- Identify CSR issues and related risks and opportunities relevant to the Company's operations and incorporate the issues or factors into the Company's existing risk management;
- Monitor and oversee the implementation of the Company's CSR policies and practices to ensure compliance with the applicable legal and regulatory requirements;

- Evaluate and enhance the Company's CSR performance and make recommendation to the Board for improvement;
- Review and endorse the Company's annual CSR report for the Board's approval for public disclosure and
- Monitor the CSR Policy of the Company from time to time.

The composition of the Committee as on March 31, 2020 was as under:

Director	Position
Mr. Ashok Shah	Chairperson
Ms. Anjoo Navalkar	Member
Mr. Padmanabhan Iyer	Member

During the year under review, Ms. Anjoo Navalkar stepped down from the Committee pursuant to her stepping down from the Board of Directors of the Company on October 25, 2020.

The composition of the Committee as on March 31, 2021 was as under:

Director	Position
Mr. Ashok Shah	Chairperson
Mr. Padmanabhan Iyer	Member

During the year, the Committee met once on May 22, 2020. This meeting was attended by all the Members of the Committee. Mr. Padmanabhan Iyer stepped down from the Committee pursuant to his stepping down from the Board of Directors of the Company on June 9 , 2021. The Committee was, thereafter, re-constituted on October 25, 2021 by inducting Ms. Zohra Chatterji and Mr. Thompson Gnanam as Members.

III. GENERAL MEETINGS

Details of the Annual General Meetings (AGMs) held in the last three years

Year	Date and Time	Venue	Special Resolutions passed
2019-20	December 23, 2020 at 2:00 p.m.	Held through video conferencing and Other Audio Visual Means ("OAVM")	1. Appointment of Mr. Pravir Kumar Vohra (DIN – 00082545) as a Non-Executive Director of the Company and approval of payment of fees apart from sitting fees. 2. Appointment of Ms. Zohra Chatterji (DIN – 01382511) as an Independent Director of the Company for a term of 5 years effective March 24, 2020. 3. Re-appointment of Mr. Ashok Shah (DIN-01194846) as an Independent Director of the Company for another term of 5 years effective October 1, 2020.

2018-19	December 12, 2019 at 4:00 p.m.	Arya Samaj Hall, Plot No. 6, Sector 9A, Vashi, Navi Mumbai – 400 703	1. Approval for payment of remuneration to Mr. Padmanabhan Iyer (DIN – 05282942) as the Managing Director and Global CEO for the period from August 11, 2019 to August 10, 2021. 2. Renewal of the resolution passed by the Members on March 18, 2016 (renewed on May 21, 2017 and July 31, 2018) 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.
2017-18	July 31, 2018 at 12:30 p.m.		1. Renewal of the resolution passed by the Members on March 18, 2016 (and renewed on May 21, 2017) in relation to issue of Equity Shares against conversion of a portion of the outstanding amounts due to the DRS Lenders and ratification of the actions taken pursuant thereto. 2. Approval for issue of shares under 3i Infotech Employee Stock Option Scheme 2018 to Employees and Directors of the Company. 3. Approval for issue of shares under 3i Infotech Employee Stock Option Scheme 2018 to Employees and Directors of subsidiaries of the Company.

Attendance of the Directors at the last AGM held on December 23, 2020 held through video conferencing/ OAVM

Mr. Ashok Shah (Independent Director & Chairperson of the Board and Chairperson of Stakeholders' Relationship Committee and Corporate Social Responsibility Committees), Ms. Zohra Chatterji (Independent Director and Chairperson of the Audit and Nomination & Remuneration Committees), Mr. Pravir Kumar Vohra (Non – Executive) Director, Mr. Padmanabhan Iyer (Managing Director & Global CEO) had attended the previous AGM, while Mr. Rajeev Kumar Sinha (Nominee Director – IDBI Bank Limited) and Mr. Sandeep Kumar Gupta (Nominee Director – Indian Bank) could not attend the previous AGM.

Apart from Directors, Mr. Sanjeev Maheshwari, Partner of GMJ & Company – Statutory Auditor of the company and Mr. Avinash Bagul, Scrutinizer and Partner from BNP & Associates, Practicing Company Secretaries – Secretarial Auditor were also present at the previous AGM.

Details of Extraordinary General Meetings held during the last three years :

Year	Date and Time	Venue	Special Resolutions proposed but not passed due to absence of requisite majority
2018-19	Wednesday, June 20, 2018 at 10:30 a.m.	Vishnudas Bhave Natyagruha, Sector-16A, Opp. Vashi Bus Depot, Vashi, Navi Mumbai – 400 703	Appointment of Mr. Roopendra Narayan Roy (DIN: 00152621) as an Independent Director for a period of 5 (five) years effective June 20, 2018

The Company had convened a special meeting of Equity Shareholders on Tuesday July 21, 2020 at 2:00 p.m. through video conferencing and OAVM as per directions issued by the Hon'ble National Company Law Tribunal ("NCLT"), Special Bench , Mumbai vide order dated June 1 , 2020 to obtain approval of the Members for proposed Scheme of Arrangement between the Company and its shareholders under sections 230 to 232 and any other applicable provisons of the Act.

Resolutions passed through Postal Ballot

During the year 2020-21 and till the date of this CG Report, the Company sought the approval of the Members by way of Postal Ballot pursuant to Section 110 of the Act read with the rules thereunder, the details of which are given below:

Date of the Notice	Last date for receipt of Postal Ballot Forms	Date of Decalaration of Result	Name of the Scrutinizer	Resolutions passed through Postal Ballot	Type of Resolution
January 12, 2021	February 28, 2021	March 2, 2021	Mr. Avinash Bagul, Partner, BNP & Associates or failing him, Mr. K. Venkataraman, Associate Partner, BNP & Associates	Approval for sale and transfer of software products business of the Company and its Subsidiaries.	Special Resolution
January 22, 2021	February 28, 2021	March 2, 2021	Mr. Avinash Bagul, Partner, BNP & Associates or failing him, Mr. K. Venkataraman, Associate Partner, BNP & Associates	Approval for alteration of the terms and conditions and redemption of 0.01% Class A Non – Convertible Redeemable Preference Shares ("NCPS") of the Company.	Special Resolution
January 22, 2021	February 28, 2021	March 2, 2021	Mr. Avinash Bagul, Partner, BNP & Associates or failing him, Mr. K. Venkataraman, Associate Partner, BNP & Associates	Approval for alteration of the terms and conditions and redemption of 0.10% Non-Convertible Redeemable Preference Shares ("NCPS") of the Company.	Special Resolution

August 10, 2021	September 19, 2021	September 21, 2021	Mr. Avinash Bagul, Partner, BNP & Associates or failing him, Mr. K. Venkataraman, Associate Partner, BNP & Associates	Appointment of Mr. Avtar Singh Monga (DIN – 00418477) as an Independent Director of the Company for a term of 5 (five) years effective April 1, 2021.	Special Resolution
				Appointment of Mr. Thompson Gnanam (DIN –07865431) as a Managing Director and Global CEO and approval for payment of remuneration as Managing Director and Global CEO.	Special Resolution

Pursuant to Section 110 of the Act read with rules thereunder, notice of the Postal Ballot was sent in electronic form to all those shareholders whose email ids were registered with the Depository Participant (DP).

The results of the Postal Ballot declared on March 2, 2021 and September 21, 2021 respectively, details of which are given below, were also displayed at the registered office of the Company and on its website:

Particulars	Number of Shares held	Number of Votes polled	Percentage of Votes polled on outstanding shares	Number of Votes – in favour	Number of Votes – against	Percentage of Votes in favour on votes polled	Percentage of Votes against on votes polled
Approval for sale and transfer of software products business of the Company and its Subsidiaries	1,616,654,866	621,419,747	38.44	615,990,114	5,429,633	99.126	0.874
Approval for alteration of the terms and conditions and redemption of 0.01% Class A Non – Convertible Redeemable Preference Shares (“NCPS”) of the Company	130,000,000	130,000,000	100	130,000,000	-	100	-

Approval for alteration of the terms and conditions and redemption of 0.10% Non-Convertible Redeemable Preference Shares ("NCPS") of the Company	1,275,521,596	1,076,077,692	84.36	1,076,077,692	-	100	-
Appointment of Mr. Avtar Singh Monga (DIN – 00418477) as an Independent Director of the Company for a term of 5 (five) years effective April 1, 2021	1,616,654,866	268,249,356	16.59	266,225,304	2,024,052	99.245	0.755
Appointment of Mr. Thompson Gnanam (DIN – 07865431) as a Managing Director and Global CEO and approval for payment of remuneration as Managing Director and Global CEO	1,616,654,866	268,346,982	16.60	266,382,663	19,64,319	99.268	0.732

IV. DISCLOSURE REQUIREMENTS

a) Related party transactions:

During the year under review, the contracts or arrangements with related parties referred in Section 188 of the Act have been on arm`s length basis and in ordinary course of business and they were not material in nature. The details of related party transactions entered into between the Company and its promoters, subsidiaries, directors or their relatives, etc. have been presented in the Notes to Accounts in the Annual Report.

The Board has approved a policy on dealing with related party transactions which has been uploaded on the Company`s website at the following link: https://www.3i-infotech.com/investors/ under Corporate Governance in the Investors` section.

b) Details of non-compliance, penalties and strictures imposed on any matter related to capital markets during the last three years:

No penalties or strictures were imposed on the Company by Stock Exchanges, the Securities and Exchange Board of India (SEBI) or any statutory or other authority on any matters relating to capital markets during Financial Years 2020-21 and 2019-20.

During the Financial Year 2018-19, at the AGM held on July 31, 2018, the resolution for appointment of Director in place of Ms. Sarojini Dikhale (DIN-02755309), who was liable to retire by rotation and being eligible, offered herself for re-appointment, was not passed under remote E-voting and voting conducted at the meeting through physical ballot for want of the requisite majority. Due to cessation of office of Ms. Sarojini Dikhale as a Director, composition of the Board of Directors was not as per Regulation 17 (1) of SEBI LODR since there was no woman director on the Board of the Company from November 1, 2018 upto November 15, 2018. Hence, penalty of ₹88,500/ – each was imposed on the Company by BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).The Company paid the said penalty within the timeline prescribed by the Exchanges. Further, Ms. Anjoo Navalkar was appointed as an Additional (Non-Executive) Director by the Board w.e.f. November 16, 2018 whereafter the Company was in compliance of provisions of Regulation 17 of SEBI LODR.

Except for the above, no other penalties or strictures were imposed on the Company by Stock Exchanges, SEBI or any statutory or other authority on any matters relating to capital markets during the last three financial years.

c) Whistle Blower Policy/Vigil Mechanism:

The Company has put in place a Whistle Blower Policy and has established the necessary vigil mechanism to enable the employees and Directors to report concerns about unethical behavior.

Under the Policy, employees and Directors of the Company and its subsidiaries are free to communicate any matters of concern in areas of accounts, finance, management, operations, employment and other affairs of the Company and its subsidiaries and discuss the same in terms of this Policy. Since this Policy came into effect, no employee has been denied access to the Chairperson of the Audit Committee.

The Policy is put up on the website of the Company at the following link: https://www.3i-infotech.com/investors/ under Corporate Governance in the Investors` section.

d) Details of compliance with mandatory requirements and adoption of non-mandatory Corporate Governance requirements mentioned in SEBI LODR:

The Company has complied with all the mandatory requirements and has also adopted the following non-mandatory requirements of SEBI LODR:

i. The Board:

The Company arranges for reimbursement of expenses incurred by Non-Executive Chairperson of the Company for his official duties.

ii. Shareholders' right:

The Company's quarterly and half yearly results are published in the newspapers and also uploaded on its website www.3i-infotech.com and on Stock Exchange websites namely www.nseindia.com and www.bseindia.com Therefore, no individual communications are sent to the shareholders in this regard.

iii. Separate posts of Chairperson and CEO:

Mr. Ashok Shah,Independent Non-Executive Director, is the Chairperson of the Company. Mr. Padmanabhan Iyer was the Managing Director and Global CEO of the Company during FY 2020 -21. Mr. Thompson Gnanam is the Managing Director and Global CEO effective April 1, 2021.

The Chairperson and the CEO were not related inter se during FY2020-21 and nor are they related inter se now. The Company has complied with the requirement of having separate persons for the post of Chairperson and CEO.

iv. **Unmodified opinion in Audit Report:**

The Auditors have expressed an unmodified opinion on the financial statements of the Company.

e) **Other disclosure requirements:**

1. **Training of Board Members:**

A new Director, on being inducted to the Board, is familiarized with the Company's Corporate Profile, Code of Conduct for Directors and Senior Management, Insider Trading Code and the Company's Policy for Prohibition of Fraudulent and Unfair Trading Practices in Securities. The details of the familiarisation programme have been uploaded on the Company`s website at the following link: https://www.3i-infotech.com/investors/ under Corporate Governance in the Investors` section.

2. **Policy for determining material subsidiaries of the Company:**

The Company has 2 (two) material subsidiaries viz. 3i Infotech Inc. and 3i Infotech Holdings Private Limited, considering the financials of the Company for the years March 31, 2020 and ended March 31, 2021 as per threshold limits specified under Regulation 24 of SEBI LODR. Mr. Ashok Shah, Independent Director has been appointed on the Board of these material subsidiaries of the Company i.e. 3i Infotech Holdings Private Limited and 3i Infotech Inc. effective May 22, 2019 and June 6, 2019 respectively.

The policy for determining material subsidiaries is available on the website of the Company at the following link: https://www.3i-infotech.com/investors/ under Corporate Governance in the Investors` section.

3. **Management Discussion & Analysis :**

A detailed Management Discussion and Analysis along with risks and concerns is given in a separate section of the Annual Report.

4. **Details of utilization of funds raised through Preferential Allotment / Qualified Institutional Placement:**

During the Financial Year 2020-21, the Company has not raised any capital through preferential allotment of shares or through qualified institutional placement.

5. **Disqualification of Directors:**

During the Financial Year 2020-21, none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as a director of a company, by SEBI or MCA or any other statutory authority. The certificate from Practicing Company Secretary M/s. BNP & Associates, affirming the above has been obtained by the Company and the same is appended herewith as an *annexure* to this CG Report.

6. **Recommendations of Board / Committees:**

During the Financial Year 2020-21, the recommendations / opinion suggested by the members on respective subject matters during the Committee / Board Meetings were thoroughly discussed and broadly reviewed by the members and were unanimously approved.

7. **Fees to Statutory Auditors:**

During the year under review, the Company and its subsidiaries have made payments to the statutory auditor of the Company for providing audit and other services. The consolidated details of fees are mentioned below:

Fees paid to Statutory Auditor by the Company and its subsidiaries	Amount (in ₹)
Statutory Audit fees	7,011,238
Fees towards other services	1,470,000
Total	8,481,238

Note: The above fees are considered on accrual basis as accounted in the financial statements.

8. **Commodity price risk or foreign exchange risk and commodity and other hedging activities:**

The Company had no exposure to commodity and commodity risks in financial year 2020-21 and hence the disclosure pursuant to SEBI Circular (Ref: SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141) dated November 15, 2018 is not required to be given.

9. **Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has in place a policy aiming at prevention of Sexual Harassment at all workplaces of the Company in line with the requirements of Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder. An internal Complaint Committee has been set up in the Company in accordance with this legislation to consider and redress complaints received with respect to sexual harassment. As per requirements of SEBI LODR, details of complaints or grievances of the nature covered under the said act are mentioned below.

Particulars	No. of cases
Number of complaints pending as on April 1, 2020	Nil
Number of complaints filed during the financial year	1
Number of complaints disposed of during the financial year	Nil
Number of complaints pending as on March 31, 2021	1

Note: The complaint pending as on March 31, 2021 was resolved in May 2021.

10. **Code of Conduct for Prevention of Insider Trading:**

The Company in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, formulated the "Code of Conduct for Prevention of Insider Trading by Designated Persons, Code of Conduct for Prevention of Insider Trading by Designated Persons of Intermediaries, Code of Practices and procedures for Fair Disclosure and Policy and Procedure for inquiry in the event of leak or suspected leak of Unpublished Price Sensitive Information (UPSI).

V. MEANS OF COMMUNICATION – QUARTERLY / HALF YEARLY RESULTS, ETC.

The Company's periodic financial results, factsheets and official news releases made to the investors and analysts are displayed on the website of the Company at www.3i-infotech.com. Financial results are also published in The Financial Express (English) and Navshakti (regional newspaper). During Financial Year 2020-21, the Company has not made any presentations to the institutional investors or analysts.

The Company has an Investor Relations cell to address the grievances / queries of the shareholders. In order to enable shareholders to raise queries and grievances, the Company has a separate email ID: investors@3i-infotech.com.

VI. GENERAL SHAREHOLDER INFORMATION

a) Details of ensuing AGM:

Day and Date	Time	Venue
Wenesday, December 15, 2021	2.00 pm (IST) (through VC / OAVM)	Tower # 5, International Infotech Park, Vashi , Navi Mumbai -400703 (Deemed Venue)

b) Schedule of the Board Meetings for consideration of Financial Results:

Quarter Ended	Date
June 30, 2021	August 10, 2021
September 30, 2021	November 8, 2021
December 31, 2021	February 8, 2022*
March 31, 2022	May 19, 2022*

* Above dates are tentative and subject to change

c) **Financial Year:** April 1, 2020– March 31, 2021

d) **Date of Book Closure:** Wenesday, December 8, 2021 to Wednesday, December 15, 2021 (both days inclusive)

e) Listing:

The Equity Shares are listed on NSE and BSE. Annual Listing Fees have been paid to both these Stock Exchanges.

f) Stock Exchanges Codes and ISIN (International Securities Identification Number) :

Stock Exchange Codes and ISIN of the Company during FY 2020-21 and till October 21, 2021 were as under:

Stock Exchange	NSE	BSE
Exchange Code	3IINFOTECH	532628
Temporary ISIN in National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) pending receipt of trading approvals from exchanges	IN8748C01011	
Permanent ISIN in NSDL and CDSL for credit of shares upon receipt of trading approvals from exchanges	INE748C01020	

Following implementation of the Scheme of Arrangement of the Company, the Stock Exchange Codes and ISIN of the Company have changed effective October 22, 2021 and the equity shares of the Company as reduced by the Scheme are tradeable as under :

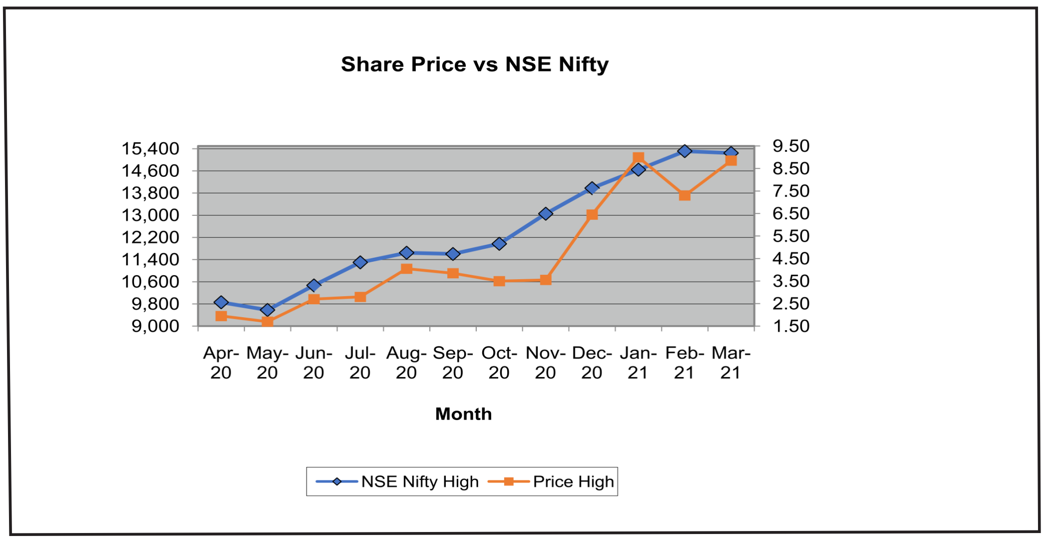
Stock Exchange	NSE	BSE
Exchange Code	3IINFOLTD	532628
Temporary ISIN in National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) pending receipt of trading approvals from exchanges	IN8748C01029	
Permanent ISIN in NSDL and CDSL for credit of shares upon receipt of trading approvals from exchanges	INE748C01038	

g) **Stock Market Data**

Monthly highs, lows and trading volume for 2020-21:

Month	National Stock Exchange			Bombay Stock Exchange			Total Quantity Traded
	High	Low	Trade Quantity	High	Low	Trade Quantity	
April-20	1.95	1.20	88,610,267	2.00	1.22	23,300,716	111,910,983
May-20	1.70	1.40	48,782,343	1.70	1.41	24,041,143	72,823,486
June-20	2.70	1.65	133,985,975	2.76	1.66	75,734,857	209,720,832
July-20	2.80	2.40	117,385,682	2.89	2.38	56,789,119	174,174,801
August-20	4.05	2.30	85,854,440	4.32	2.29	150,371,772	236,226,212
September-20	3.85	2.90	111,376,063	3.94	2.92	62,244,660	173,620,723
October-20	3.50	2.95	96,211,887	3.48	2.97	50,823,025	147,034,912
November-20	3.55	2.90	99,387,843	3.60	2.93	49,309,146	148,696,989
December-20	6.45	3.55	271,032,134	6.51	3.57	214,266,933	485,299,067
January-21	9.00	6.65	522,445,340	9.12	6.65	251,122,117	773,567,457
February-21	7.30	6.15	259,896,540	7.32	6.18	91,803,858	351,700,398
March-21	8.85	6.45	310,010,659	8.87	6.48	97,658,614	407,669,273

h) **3i Infotech share prices versus the NSE Nifty:**



i) **Distribution of Holdings as on March 31, 2021:**

Shareholding of nominal value of (₹)	Shareholders		Share Amount	
	Number	Percentage to total (%)	(₹)	Percentage to total (%)
Upto 5000	170,190	63.82	274,818,190	1.70
5001-10000	36,208	13.58	318,438,280	1.97
10001-20000	22,203	8.33	357,783,220	2.21
20001-30000	9,271	3.48	245,918,680	1.52
30001-40000	4,400	1.65	161,780,320	1.00
40001-50000	6,009	2.25	292,480,760	1.81
50001-100000	8,614	3.23	682,600,480	4.22
100001 and above	9,791	3.67	13,832,728,730	85.56
Total	**266,686**	**100.00**	**16,166,548,660**	**100.00**

j) **Shareholding Pattern as on March 31, 2021**

Category	Shares	Percentage (%)
Promoter–IDBI Trusteeship Services Limited (ICICI Strategic Investments Fund)	-	-
Government Financial Institutions	14,077,422	0.87
Nationalized Banks	176,371,384	10.91
Financial Institutional Investors (FIIs)	1,318,414	0.08
Overseas Corporate Bodies (OCBs)	-	-
Foreign Banks / Companies	8,023,784	0.50
Non-Residents	106,546,146	6.59
Mutual Funds	-	-
Bodies Corporate	81,165,997	5.02
Other Banks	176,150,823	10.90
Resident Indians	1,051,896,946	65.06
NBFCs Registered with RBI	757,400	0.05
Provident Fund-Pension Fund	-	-
Investors' Education and Protection Fund (IEPF)	346,550	0.02
Total	**1,616,654,866**	**100.00**
Number of Shareholders		**266,686**

k) **Registrar and Transfer Agent:**

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.

l) **Share transfer system:**

The Company, as SEBI Registered Registrar and Transfer agent, has expertise and effective systems for share transfers.

m) **Dematerialization of shares and liquidity:**

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 issued by SEBI vide notification (Ref: SEBI/LAD-NRO/GN/2018/24) and published in Official Gazette on June 8, 2018 read with SEBI notification (Ref: SEBI/LAD-NRO /GN/ 2018/49) published in Official Gazette on November 30, 2018, SEBI has mandated that with effect from April 1, 2019, requests for effecting transfer of securities shall not be processed unless securities are held in a dematerialized form with a depository, except in case of transmission or transposition of securities.

As on March 31, 2021, all the shares were held under dematerialized mode,except 6,606,751 shares,which were held in physical mode.

In adherence with the aforesaid provisions, in FY 2019-20, the Company had issued letters / emails (as per details available in the records of the Company) to its shareholders, who held shares of the Company in physical form requesting them to convert their physical holdings into dematerialised form. Further, the Company had also disseminated an advisory regarding the same on its website, which is available at the following link: https://www.3i-infotech.com/investors/ under General Announcements in the Investors' section along with a brief procedure for dematerializing physical holdings. Those shareholders who have not yet dematerialized their holding are requested to please proceed to do so.

n) **Top 10 equity shareholders of the Company as on March 31, 2021:**

Sr. No.	Name of the Shareholder	Number of equity shares held	Percentage of holding
1	SREI Multiple Asset Investment Trust	259,627,895	16.06
2	IDBI Bank Limited	123,087,521	7.61
3	Indian Bank	49,991,676	3.09
4	Canara Bank	49,169,220	3.04
5	Sony Sebastian	32,368,233	2.00
6	Punjab National Bank	28,382,802	1.76
7	HDFC Bank Limited	25,895,818	1.60
8	Tata Capital Financial Services Limited	23,280,000	1.44
9	Bank of India	21,513,208	1.33
10	Life Insurance Corporation of India	13,707,422	0.85
	Total	**627,023,795**	**38.79**

o) **Unclaimed Shares lying in Demat Suspense Account:**

The Company has a separate demat suspense account (no. IN302902/47834376) as per the requirements of Regulation 39 read with Schedule VI of SEBI LODR (previously SEBI Circular No. SEBI/CFD/DIL/LA/1/2009/24/04 dated April 24, 2009 amending the erstwhile listing agreement) for the purpose of holding unclaimed shares.

The details of shares held in the said demat suspense account are as under:

Particulars	Number of Shareholders	Number of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account as on April 1, 2020	4	532
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	-	-
Number of holders to whom shares were transferred from suspense account during the year	-	-
Aggregate number of shareholders and the outstanding shares lying in suspense account as on March 31, 2021	4	532

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims them.

p) **Transfer to Investor Education and Protection Fund:**

As per the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") which came into force from September 7, 2016, the Company was required to file with the Registrar of Companies (ROC), details of unclaimed/unpaid dividend lying with the Company which would be transferred to Investors' Education and Protection Fund (IEPF) after a period of seven years of its declaration and to display the details on the website of the Company. Accordingly, the details of unclaimed/unpaid dividend were filed with ROC and were also displayed on the website of the Company.

Further, the Company has not declared dividend on its equity shares after FY 2010-11 and all the unclaimed dividend till FY 2010-11 has already been transferred to IEPF as required by the IEPF Rules.

Further, the Company has also transferred all those shares in respect of which dividend has not been claimed/paid for seven consecutive years as per provisions of Section 124(6) of the Act read with Rules 6 and 8 of IEPF Rules.

q) **Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity :**

The details of the outstanding Foreign Currency Convertible Bonds (FCCBs) as on March 31, 2021 are given below:

Particulars	**USD 2.435 Million 4.75% Convertible Bonds due 2025**	**USD 125.356 Million 5% Convertible Bonds due 2025**	**USD 42.44175 Million 2.50% Convertible Bonds due 2025**
ISIN Code	XS0308551166	XS0769181982	XS1423751418
Outstanding Amount	USD 0.29 Million	USD 1.78 Million	USD 10.68 Million
Coupon/Yield (payable at semi-annual intervals)	2.50% p.a.	2.50% p.a.	2.50% p.a.
Conversion Price	₹165.935	₹16.50	₹12.50
Fixed Exchange Rate	1USD = ₹40.81	1 USD = ₹50.7908	1USD = ₹66.326
Maturity Date*	March 31, 2025	March 31, 2025	March 31, 2025
Redemption Price	100% of the principal amount	100% of the principal amount	100% of the principal amount
Expected number of shares to be issued	71,117	5,471,552	56,654,110

*One-sixth portion of the outstanding principal amount of the FCCBs shall be redeemed on March 31 of each year starting from March 31, 2020 through March 31, 2025. Two principal repayments have happened till now on March 31, 2020 and March 31, 2021.

Note: FCCB holders of the Company, through an extraordinary resolution passed at their meetings held on May 6, 2021, have approved certain amendments to the terms and conditions of the FCCBs and respective trust deeds constituting the FCCBs in order to provide the Company with a right to redeem the FCCBs before their maturity date, subject to approval of the Reserve Bank of India (RBI). The Company is in receipt of approval from RBI. The Board of Directors of the Company, at their meeting held on October 25, 2021, has approved change in terms of redemption of outstanding FCCBs effective November 2, 2021 and has fixed December 2, 2021 as the record date for redeeming all the outstanding FCCBs in full.

r) **Credit ratings:**

CRISIL Limited has rated the Company as "CRISIL BBB-/Watch Developing" in respect of the long term bank loan facilities of the Company in January 2021. One of the other rating agencies, CARE has rated the Company as "CARE BBB-;Stable" in October 2021.

s) **Plant Locations:**

As the Company is engaged in the Information Technology industry, it does not have any plant. The Company operates from various offices in India and abroad.

t) **Address for correspondence**

COMPLIANCE OFFICER	**SHARE DEPARTMENT**
Company Secretary & Compliance Officer	3i Infotech Limited
3i Infotech Limited	Tower # 5, 3rd Floor,International Infotech Park,
(CIN: L67120MH1993PLC074411)	Vashi Railway Station Commercial Complex,
Tower # 5, International Infotech Park, Vashi Station Complex , Navi Mumbai 400 703, Maharashtra (India)	Vashi, Navi Mumbai 400 703, Maharashtra (India)
Ph: (91-22) 7123 8000	Ph: (91-22) 7123 8015/8034
Email: investors@3i-infotech.com	Email: investors@3i-infotech.com

Navi Mumbai, November 8, 2021

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of
3i Infotech Limited
Tower # 5, International Infotech Park,
Vashi Station Complex,
Navi Mumbai - 400 703,
Maharashtra

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of 3i Infotech Limited having **CIN:-L67120MH1993PLC074411** and having registered office at **Tower # 5, International Infotech Park, Vashi Station Complex, Navi Mumbai- 400703, Maharashtra** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company, as stated below, for Financial Year ending as on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority except for the few Directors, whose Declarations and Disclosures have not been received by Company and which are mentioned in the Footnotes.

Sr. No.	Name of Director	DIN	Date of appointment in Company (original dates as mentioned in MCA)
1	Mr. Ashok Shah	01194846	01/12/2011
2	Ms. Zohra Chatterji	01382511	24/03/2020*
3	Mr. Rajeev Kumar Sinha	01334549	14/06/2019
4	Mr. Pravir Kumar Vohra	00082545	01/09/2020
5	Mr. Sandeep Kumar Gupta	08911963	22/10/2020*
6	Mr. Thompson Prashanth Gnanam	07865431	18/03/2021
7	Mr. Padmanabhan Nemmara Ranganathan Iyer	05282942	11/08/2016

Footnotes:-

* We have not received Disclosures and Declarations of Ms. Zohra Chatterji and Mr. Sandeep Gupta

Resignation of Directors during the year:-

- Resignation of Mr. Avaya Kumar Mohapatra (DIN: 07811921) as Nominee Director of the Company w.e.f. 5th June 2020.
- Resignation of Ms. Anjoo Navalkar (DIN: 00270356) as a Director of the Company w.e.f. 25th October, 2020.
- Resignation of Dr. Shashank Desai (DIN: 00143638) as a Director of the Company w.e.f. 30th July, 2020.
- Resignation of Mr. Padmanabhan Iyer as Managing Director & Global CEO and CFO of the Company and re-designation of Mr. Padmanabhan Iyer as a Non-executive Director of the Company w.e.f. 1st April, 2021. Mr. Iyer subsequently stepped down as a Non-executive Director of the Company w.e.f. 9th June 2021.

Appointment of New Directors w.e.f 1st April, 2021

- Appointment of Mr. Avtar Singh Monga (DIN- 00418477) as an Additional Director (designated as Non-Executive Independent) Director by Board of Directors in its meeting dated 1st April 2021 to hold office for a term of 5 consecutive years. The proposal was approved by the Members of the Company vide Postal Ballot Resolution dated September 19, 2021.
- Appointment of Mr. Thompson Gnanam (DIN- 07865431) as an Additional Whole Time Director (to be designated as CEO and MD -Designate) on the Board of the Company with effect from March 18, 2021. Subsequently, the Board of Directors of the Company at its Meeting held on April 1, 2021 appointed Mr. Thompson Gnanam as a Managing Director and Global CEO of the Company and approved his terms of remuneration for a period of 5 years with effect from April 1, 2021. Thereafter, the Members' approval was obtained vide Postal Ballot Resolution dated September 19, 2021.

Ensuring the eligibility of / for the appointment / continuity of every Directors on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Venkataraman Krishnan
A8897
Cop No. 12459
PR No. 637 / 2019
For BNP & Associates
Company Secretaries
Firm Registration No.P2014MH037400
UDIN:- A008897C001376318

Place:- Mumbai
Date:-08.11.2021

CERTIFICATE FROM MANAGING DIRECTOR & GLOBAL CEO FOR COMPLIANCE OF CODE OF CONDUCT FOR BOARD AND SENIOR MANAGEMENT

This is to certify that 3i Infotech Limited has put in place the Code of Conduct for the Board of Directors and Senior Management. This Code is applicable to all the Directors of the Company and the Members of Senior Management, who are one level below the Executive Directors, including all the functional heads and includes Company Secretary and Chief Financial Officer. The Directors and Members of Senior Management have affirmed compliance with the Code of Conduct for the Board of Directors and Senior Management for the financial year ended March 31, 2021.

Thompson Gnanam,
Managing Director & Global CEO,
3i Infotech Limited

November 8, 2021 at Navi Mumbai

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To
The Members of
3i Infotech Limited

We have examined the compliance of the conditions of Corporate Governance, by 3i Infotech Limited ("the Company"), for the financial year ended March 31, 2021, as prescribed in the Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paras C, D and E of Schedule V of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR").

We state that the compliance of the conditions of Corporate Governance is the responsibility of the management of the Company and our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance, as stipulated in the aforesaid provisions of LODR.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or the effectiveness with which the management has conducted the affairs of the Company.

For BNP & Associates
Company Secretaries
[Firm Reg. No. P2014MH037400]

Venkataraman Krishnan
Associate Partner
ACS No.8897/CP No.12459
PR No.637/2019

Place:- Mumbai
Date:-08.11.2021

Annexure II

BUSINESS RESPONSIBILITY (BR) REPORT

[Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company**: L67120MH1993PLC074411
2. **Name of the Company**: 3i Infotech Limited
3. **Registered address**: Tower #5, International Infotech Park, Vashi, Navi Mumbai – 400 703, Maharashtra, India.
4. **Website:** www.3i-infotech.com
5. **E-mail id**: investors@3i-infotech.com
6. **Financial Year reported**: April 1, 2020 to March 31, 2021
7. **Sector(s) that the Company is engaged in (industrial activity code-wise)**: Computer programming, consultancy and related activities (NIC code: 620)
8. **List three key products/services that the Company manufactures/provides (as in balance sheet)**:

   The business activities of the Company are broadly divided into two categories viz: IT Solutions and Transaction Services. The IT Solutions business comprises of Cloud Computing, Application-Automation-Analytics (AAA), Platform Solutions (BPaaS, KPaaS, GRC), Infrastructure Management Services, Application Development, Digital Transformation Consulting and NextGen Business services (5G, SASE, Edge Computing, Cognitive Computing, IIoT, Cyber Security Services, etc.) etc., while Transaction Services comprise of BPS and KPO services covering management of back office operations. The Company has sold its software products business on March 31, 2021, while it continues to operate its services business.

   Altiray®, the Company's Services landscape, is well integrated across domains and emerging technologies. Its digital frameworks are optimized to deliver the much-needed core transformation in businesses. Based on a curated technology stack, the solutions enable easy technology adoption and are effortlessly scalable. Mobility, together with new-age technologies like Blockchain, Artificial Intelligence, IoT, Augmented / Virtual Reality (AR/VR), are an imperative part of digital transformation, and Altiray®'s offerings cater to all levels of the mobility maturity curve, covering Consulting, Design & Development, Data Testing, Support, Data Intelligence & Co-Innovation Services.
9. **Total number of locations where business activity is undertaken by the Company**:
   a) **Number of International Locations (<u>Provide details of major 5</u>)**: We have presence in USA, UAE, Singapore, Netherlands and UK. Besides these, the Company also provides onsite services on client projects.
   b) **Number of National Locations**: Within India, we have our offices at Mumbai, Delhi, Bengaluru, Chennai and Hyderabad. Besides these, the Company also provides onsite services on client projects.
10. **Markets served by the Company – Local/State/National/International**: The Company has presence in more than 15 countries across 4 continents. The Company has a strong foothold and customer base in South Asia, Asia Pacific (APAC), Middle East and Africa (MEA), Kingdom of Saudi Arabia (KSA) and North America (US and Canada) and Europe geographies. The Company has marketing network around the world, including US, Europe, MEA and APAC.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. **Paid up Capital (INR)**: 16,166,548,660
2. **Total Turnover (INR)**: 227,87,32,537
3. **Total profit after taxes (INR)**: 321,60,92,940

4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)**: The Company was not required to spend on CSR activities during the year due to accumulated losses.

5. **List of activities in which expenditure in 4 above has been incurred**:- Not Applicable.

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/ Companies?** – Yes, the Company has 23 subsidiaries (including step-down subsidiaries) as on March 31, 2021.

2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)** – The Company defines the Code of Conduct and Business Ethics which is also applicable to all the subsidiary companies. All the subsidiary companies abide by the same wherever applicable.

3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]** – The Company does not mandate its suppliers/ distributors to participate in the Company's BR initiatives. While they may not directly participate in the Company's BR initiatives, they may have their own policies and programmes with regard to business responsibility.

SECTION D: BR INFORMATION

1. **Details of Director/Directors responsible for BR**:

   a) **Details of the Director/Directors responsible for implementation of the BR policy/policies as on March 31, 2021**:

      1. **DIN Number**: 05282942
      2. **Name**: Mr. Padmanabhan Iyer
      3. **Designation**: Managing Director and Global CEO

   b) **Details of the BR head as on March 31, 2021**:

No.	Particulars	Details
1	DIN Number (if applicable)	05282942
2	Name	Mr. Padmanabhan Iyer
3	Designation	Managing Director and Global CEO
4	Telephone number	+91-22-7123 8000
5	Email id	investors@3i-infotech.com

   Note: Board of Directors of the Company had designated Mr. Padmanabhan Iyer, Managing Director and Global CEO as the director responsible for BR Report and the BR head of the Company at its meeting held on October 22, 2020. Mr. Padmanabhan Iyer was designated as a Non-Executive Director effective April 1, 2021 and, later, stepped down from the Board of Directors of the Company on June 9, 2021. Thereafter, the Board of Directors of the Company has designated Mr. Thompson Gnanam, Managing Director and Global CEO as the director responsible for BR Report and the BR head of the Company at its meeting held on 8 November, 2021. His details are mentioned below:

   c) **Details of the BR head and Director/Directors responsible for implementation of the BR policy/ policies as on the date of this BR Report**:

No.	Particulars	Details
1	DIN Number (if applicable)	07865431
2	Name	Mr. Thompson Gnanam
3	Designation	Managing Director and Global CEO
4	Telephone number	+91-22-7123 8000
5	Email id	investors@3i-infotech.com

2. Principle-wise (as per NVGs) BR Policy/policies

P1	Governance with Ethics, Transparency and Accountability	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Providing Sustainable Services	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3	Promote Employees' Well-being	Businesses should promote the wellbeing of all employees.
P4	Stakeholder Engagement	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Promote Human Rights	Businesses should respect and promote human rights.
P6	Reducing Environmental Impact	Businesses should respect, protect, and make efforts to restore the environment.
P7	Responsible Policy Advocacy	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Inclusive Growth & Equitable Development	Businesses should support inclusive growth and equitable development.
P9	Providing Value to Customers	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

a) **Details of compliance** (Reply in Y=Yes/N=No)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for:	Y	NA (Please refer Note 11)	Y	Y	Y	Y (Please refer Note 9)	N (Please refer Note 8)	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y (Please refer Note 2)	NA (Please refer Note 11)	Y (Please refer Note 2)	Y (Please refer Note 2)	Y (Please refer Note 2)	Y (Please refer Note 2)	NA (Please refer Note 8)	Y (Please refer Note 2)	Y (Please refer Note 2)
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y (Please refer Note 3)	NA (Please refer Note 11)	Y (Please refer Note 3)	Y (Please refer Note 3)	Y (Please refer Note 3)	Y (Please refer Note 3)	NA (Please refer Note 8)	Y (Please refer Note 3)	Y (Please refer Note 3)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
4	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/CEO/ appropriate Board Director?	Y (Please refer Note 4)	NA (Please refer Note 11)	NA (Please refer Note 4)	Y	Y (Please refer Note 4)	Y	NA (Please refer Note 8)	Y (Please refer Note 10)	NA (Please refer Note 4)
5	Does the Company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	Y (Please refer Note 5)	NA (Please refer Note 11)	Y (Please refer Note 5)	Y	Y (Please refer Note 5)	Y	NA (Please refer Note 8)	Y (Please refer Note 10)	Y (Please refer Note 5)
6	Indicate the link for the policy to be viewed online.	Y (Please refer Note 1)	NA (Please refer Note 11)	Y (Please refer Note 1)	Y (Please refer Note 1)	Y (Please refer Note 1)	Y (Please refer Note 1)	NA (Please refer Note 8)	Y (Please refer Note 1)	Y (Please refer Note 1)
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y (Please refer Note 6)	NA (Please refer Note 11)	Y (Please refer Note 6)	Y (Please refer Note 6)	Y (Please refer Note 6)	Y (Please refer Note 6)	NA (Please refer Note 8)	Y (Please refer Note 6)	Y (Please refer Note 6)
8	Does the Company have in-house structure to implement the policy/ policies?	Y	NA (Please refer Note 11)	Y	Y	Y	Y	NA (Please refer Note 8)	Y (Please refer Note 10)	Y

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
9	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy/ policies?	Y	NA (Please refer Note 11)	Y	Y	Y	Y	NA (Please refer Note 8)	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y (Please refer Note 7)	NA (Please refer Note 11)	Y (Please refer Note 7)	Y (Please refer Note 7)	Y (Please refer Note 7)	Y (Please refer Note 7)	NA (Please refer Note 8)	Y (Please refer Note 7)	Y (Please refer Note 7)

Notes:

1) Links for the relevant policies are given below:

Principle	Name of the Policy(ies)	Website Link
P1	Code of Conduct for Board of Directors and Senior Management	https://www.3i-infotech.com/wp-content/uploads/downloads/2016/03/Code-of-Conduct-for-Board-and-Senior-Management.pdf
	Policy for determination of Materiality of Event or Information	https://www.3i-infotech.com/wp-content/uploads/downloads/2018/10/POLICY-FOR-DETERMINATION-OF-MATERIALITY-OF-EVENT-OR-INFORMATION.pdf
	Code of Conduct and Business Ethics	Available on the internal Knowledge Management portal of the Company
	3i Infotech Code of Conduct for Prevention of Insider Trading by Designated Persons	https://www.3i-infotech.com/wp-content/uploads/downloads/2020/10/Insider-Trading-Code-of-Conduct-1.pdf
	3i Infotech Code of Practices and Procedures for Fair Disclosure	https://www.3i-infotech.com/wp-content/uploads/downloads/2020/10/Insider-Trading-Code-of-Fair-Disclosures-1.pdf

	3i Infotech Code of Conduct for Prevention of Insider Trading by Designated Persons of Intermediaries	https://www.3i-infotech.com/wp-content/uploads/downloads/2020/10/Insider-Trading-code-of-conduct-for-intermediary.pdf
	Whistle Blower Policy	https://www.3i-infotech.com/wp-content/uploads/downloads/2016/03/Whistle-Blower-Policy.pdf
P2	Not applicable	Please refer Note 11
P3	Code of Conduct and Business Ethics	Available on the internal Knowledge Management portal of the Company
	Apex Information Security Policy	
	HR Policies (including Prevention of Sexual Harassment Policy)	
P4	Corporate Social Responsibility Policy	https://www.3i-infotech.com/wp-content/uploads/downloads/2017/08/Corporate-Social-Responsibility-Policy.pdf
	Code of Conduct and Business Ethics	Available on the internal Knowledge Management portal of the Company
P5	Code of Conduct and Business Ethics	Available on the internal Knowledge Management portal of the Company
	Whistle Blower Policy	https://www.3i-infotech.com/wp-content/uploads/downloads/2016/03/Whistle-Blower-Policy.pdf
	HR Policies (including Prevention of Sexual Harassment Policy)	Available on the internal Knowledge Management portal of the Company
P6	Corporate Social Responsibility Policy	https://www.3i-infotech.com/wp-content/uploads/downloads/2017/08/Corporate-Social-Responsibility-Policy.pdf
P7	Not applicable	Please refer Note 8
P8	Corporate Social Responsibility Policy	https://www.3i-infotech.com/wp-content/uploads/downloads/2017/08/Corporate-Social-Responsibility-Policy.pdf
P9	Code of Conduct and Business Ethics	Available on the internal Knowledge Management portal of the Company
	Privacy Policy	

2) All policies are framed as per applicable law and as per industry standards. While there may not be formal consultation with all stakeholders, the relevant policies have evolved over a period of time by taking inputs from concerned internal stakeholders.

3) Wherever applicable, policy conforms to relevant national/international standards. All policies are framed based on applicable laws, business needs and industry practices / standards.

4) Policies are approved by respective functional heads. Wherever mandated by the applicable laws, rules and regulations, the policy has been approved by the Board and/or by the Managing Director & Global CEO.

5) The implementation of the policies is overseen by Board/ Committee / Director/ Official wherever mandated by the applicable laws, rules and regulations in force. Implementation of policies is carried out by respective functional heads and is reviewed by the Management.

6) All 3i Infotech policies are uploaded on the internal Knowledge Management portal of the Company for the information of and implementation by the internal stakeholders / employees. Access of the same is available to all its employees. Wherever applicable, policies have been formally uploaded on the Company website and/or communicated to all relevant stakeholders.

7) The Company's Internal Audit function is responsible for periodically reviewing the policies.

8) The Company does not have separate policy for advocacy.

9) The Company does not have a separate policy for environment protection. However, this principle is one of the thrust areas in the Corporate Social Responsibility (CSR) policy of the Company.

10) The Company has formulated a CSR policy in compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules") and has also constituted a CSR Committee to ensure that implementation and monitoring of the CSR policy is in compliance with CSR objectives and policy of the Company. However, due to accumulated losses from past years, the Company has not been able to spend any amount on CSR activities.

11) At 3i Infotech, we constantly strive to provide best services to our clients. We are committed to have an effective service management system by means of timely and quality deliveries. We always strive for continual improvement by following process-based approach in our business operations. During FY 2020-21, 3i Infotech has received ISO 20000:2018 certification by British Standards Institute (BSI) for IT Services management systems (ITMS) and has also successfully continued ISO 9001:2015 certification from BSI with a good feedback about our Quality Management System (QMS) from auditor. These certifications are an emblem of our capabilities to provide quality services that satisfy our customers.

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	√	-	-
3	The company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
6	Any other reason (please specify)	-	√	-	-	-	-	-	-	-

Principle 2: While the Company does not have any specific policy in place for this principle, it has been certified for its ITSM and QMS (please refer note 11 above for details), which demonstrates the Company's commitment to quality.

3. **Governance related to BR**

   a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year** – The Board of Directors reviews the BR performance through the BR Report annually.

   b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?** – The Company's BR Report is part of the Annual Report 2020-21. The said report is also available on Company website i.e. www.3i-infotech.com under "Investors" section.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Governance with Ethics, Transparency and Accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others? -** No, the Code of Conduct (COC) and Business Ethics also covers the subsidiaries of the Company. It extends to the Company's dealings with its suppliers. The Company's employees are expected to and they endeavour to ensure that all agents, contractors, representatives, consultants, or other third parties working on behalf of the Company are aware of, understand and adhere to the standards laid down in the COC.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so**. – There were no complaints received from shareholders during FY 2020-21. There was one sexual harassment complaint received from an employee during FY 2020-21, which was open as of March 31, 2021 and was resolved in May' 2021.

Principle 2: Providing Sustainable Services

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities**.

   While none of its products or services cause any environmental or social concerns, the Company seeks to reduce any adverse environmental effect due to operations with efficient resources allocation and economical consumption. The Company ensures ethical sourcing while adhering to the highest considerations of professionalism, sustainability and transparency. Further, the Company's products and services endeavour to help clients reduce their carbon footprint and meet social objectives by deploying solutions that meet stringent parameters of productivity and effectiveness.

An eService Portal for Public Health Department of an Indian state	To effectively manage the water resource, ensure quality of water consumed by the residents and meet the standards for human consumption, this state's public heath engineering department engaged 3i Infotech to develop an eServices portal whereby the residents can avail various water related services delivered by government like New Piped Water Connection, Water Bill Payment, Water Quality Testing and others. The solution provides the residents an opportunity to avail the services in a time-bound manner, register service requests and complaints by accessing a secured portal. The back-end workflow takes care of the requisite actions by the designated authorities and gets the service delivered. It keeps the applicant updated on the service status real-time basis. The online, faceless services have eliminated need for travel to government offices for availling services on one hand and on the other, have ensured that services meet defined service standard. The application will roll-out across the state and benefit entire state residents on water related services.
Advisory/consulting services for Department of Industries of an Indian state	3i Infotech has been working as technical support unit of Department of Industries of an Indian state and has been entrusted with the responsibility of providing advisory support in comprehensive industrial and entrepreneurship development of the state through formulation and implementation of industrial and entrepreneurship policies and schemes. 3i Infotech is facilitating the Department in implementation of various policies and schemes formulated towards promoting industrial investment and start-ups, encouraging entrepreneurship in disadvantaged sections of the society, ease of doing business reforms and providing consultancy services in design, development, and implementation of a suitable online MIS system for all works related to the Department of Industries (excluding software development).
An MIS platform for a social welfare project being implemented by an Indian state Government	3i Infotech has developed an MIS platform as part of a socio-economic empowerment and community outreach project being jointly implemented by the World Bank and a state department towards upliftment of adolescent girls and young women ("beneficiaries") by providing them Skill and Education Training. The MIS platform captures the details of the beneficiaries and workflow has been defined for processing records. 3i Infotech has also developed a mobile application for registering beneficiaries in the system for further processing of records by various stakeholders. The MIS platform has been integrated with external system for allocation of training type through psychometric test.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

   a) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain? –** Not applicable. The nature of services rendered by the Company has very limited impact on the environment. Further, the Company does not manufacture any products.

   b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year? –** Not applicable.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)?**

   a) **If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.** Not Applicable.

4. **Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?** Yes.

   a) **If yes, what steps have been taken to improve their capacity and capability of local and small vendors?** The Company has always believed in localized procurements and development of immediate vicinity. All resources which can be locally procured are given priority so that an equitable opportunity for sustainable development is given to the local community.

5. **Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so. -** The nature of Company's business is service oriented and not material resource intensive, and hence recycling of products is not applicable for the Company. There is negligible waste generation at Company's offices. However, the Company has procedures in place to dispose of e-waste through authorised e-waste vendors.

<u>Principle 3</u>: Promote Employees' Well-being

1. **Please indicate the Total number of employees**. – There were 2199 permanent employees as on March 31, 2021. After sale of software products business on March 31, 2021, the number of permanent employees after the close of business hours on March 31, 2021 was 760.
2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis.-** Nil.
3. **Please indicate the Number of permanent women employees**. – There were 518 permanent women employees as on March 31, 2021. After sale of software products business the number of permanent women employees after the close of business hours on March 31, 2021 was 165.
4. **Please indicate the Number of permanent employees with disabilities**. - Nil.
5. **Do you have an employee association that is recognized by management?** – Yes.
6. **What percentage of your permanent employees is members of this recognized employee association?** – 0.14%
7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year**. - The Company does not engage in any form of child labour/forced labour/ involuntary labour and does not adopt any discriminatory employment practices. The Company has a gender-neutral policy against sexual harassment and a formal process for dealing with complaints of harassment or discrimination.

Sr. No.	Category	No. of complaints filed during the financial year 2020-21	No. of complaints pending as on end of the financial year 2020-21
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	Nil	1*
3	Discriminatory employment	Nil	Nil

*This complaint was resolved by due process in May' 2021.

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

   Information Security Awareness Training

   The Company has developed Learning Management System (LMS) which hosts trainings on various topics. Employees can attend various trainings by accessing this portal.

   To make employees aware about Information Security and their responsibilities towards it, we have developed a training on Information Security Awareness which is accessible through LMS.

   New joinees are supposed to attend this training within 15 days from the date of their joining. They are tracked for the same and reminder mails are sent to those who have not attended the trainings. Existing employees who have undergone training are also reminded about re-taking the training once their training validity (1 year) is over.

This training contains information about various useful topics like risks to information, consequences of not keeping information secure, responsibilities of individuals as employees of 3i Infotech, precaution to be taken while accessing emails and internet, steps employees are expected to take when they witness any security incidents. Once a user completes training, he/she needs to undergo an assessment which verifies effectiveness of training for employees.

Fire Safety Training

To enable employees prepare themselves to respond quickly, calmly and safely in any emergency situation including fire, fire drills are conducted at the workplace once in every year. All employees should avail of the fire drill training. Employees with disabilities, if any, are to be evacuated by fire marshalls in advance, before such drill is initiated. During FY 2020-21, there were no fire drills conducted at the workplace for employees because of Covid-19 pandemic situation. However, monthly fire drill trainings were conducted for security guards occupying the office premises in the second half of FY 2020-21.

Skill Upgradation Training

Details of behavioural skill upgradation training provided to employees are mentioned below:

Training on – As a Percentage of -		Skill upgradation (%)	Information Technology Security (%)
(a)	Permanent Employees	31%	60%
(b)	Permanent Women Employees	41%	59%
(c)	Casual/Temporary/Contractual Employees	NA	NA
(d)	Employees with Disabilities	100%	100%

Principle 4: Stakeholder Engagement

1. **Has the Company mapped its internal and external stakeholders? Yes/No** – Yes. The Company has mapped its stakeholders as required for performance of its business activities and complying with all applicable laws. However, the Company has not identified any disadvantaged, vulnerable & marginal stakeholders.
2. **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?** – No
3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so**. Not Applicable

Principle 5: Promote Human Rights

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others? -** The Company has implemented multiple policies that cover various aspects of human rights to ensure non-discrimination and fair treatment of all employees, ethical conduct and prevention of sexual harassment at premises within its direct control as well as redressal mechanism. The policies also cover its subsidiaries.
2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management? -** During the year under review, the Company has received one sexual harassment complaint. This complaint was open as of March 31, 2021 and was resolved in May' 2021. The Company has not received any other stakeholder complaint regarding human rights.

Principle 6: Reducing Environmental Impact

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others**.

   The aspects outlined under this principle are not substantially relevant to the Company given the nature of its business. However, environment protection is one of the thrust areas of the Corporate Social Responsibility policy of the Company.

2. **Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc**. - No.
3. **Does the Company identify and assess potential environmental risks? Y/N -** Yes.
4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed? –** None.
5. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc**. **–** Not Applicable.
6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported? -** Since the Company is in the business of IT Solutions and Transaction Services, the reporting for Emissions/Waste generated is not applicable.
7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year**. – The Company has not received any show cause / legal notice from CPCB/SPCB during the year.

Principle 7: Responsible Policy Advocacy

1. **Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with**: **-** Yes, the Company is a member of Bombay Chamber of Commerce and Industry and National Association of Software and Service Companies (NASSCOM).
2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)** – No. However, the Company understands significance of overall advancement and improvement of the industry and public good. Hence, the Company's endeavour is to co-operate with all Government bodies and policy makers in this regard.

Principle 8: Inclusive Growth & Equitable Development

1. **Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof**. **-** The Company aims to implement projects and initiatives for the betterment of society, communities and the environment in accordance with the objectives set out in the CSR policy formulated by the Company. However, due to accumulated losses from past years, the Company has not been able to spend any amount on CSR activities. The Company will revisit its CSR objectives once its financial situation improves.
2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?** – Not applicable.
3. **Have you done any impact assessment of your initiative?** – Not applicable.
4. **What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?** – Not applicable.
5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so**. – Not applicable.

Principle 9: Providing Value to Customers

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year**? **-** For FY 2020-21, there are no major customer grievances pending. There were no consumer/customer cases during FY 2020-21. We have two on-going customer cases pending as on March 31, 2021 (including one case which had been disposed of initially, where appellant has filed application to reinstate the case). However, the cases are not material in nature.
2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information) -** The Company's business activities comprise of IT enabled services and hence, this is not applicable.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.** – No such case has been filed against the Company during the said period and no such case was pending against the Company as on March 31, 2021.
4. **Did your Company carry out any consumer survey/ consumer satisfaction trends? -** Yes.

ANNEXURE III

EMPLOYEES STOCK OPTION SCHEMES (ESOS)

Employees Stock Option Schemes

The Company has three Employees Stock Option Schemes (ESOS) instituted in the fiscal years 2000, 2007 and 2018 to enable the employees and Directors of the Company and its subsidiaries to participate in the future growth and financial success of the Company. The options granted under ESOS 2000 and ESOS 2007 vest in a graded manner over a three year period, with 20%, 30% and 50% of the grants vesting in each year, commencing from one year after the date of grant. Options can be exercised within 10 years from the date of grant or five years from the date of vesting, whichever is later. The options granted under ESOS 2018 vest in a graded manner over a three year period, with 33%, 33% and 34% of the grants vesting in each year, commencing from one year after the date of the grant. Options can be exercised within 5 years from the date of vesting. The price of the options granted after the IPO was lower of the face value or the closing market price on the stock exchange which recorded the highest trading volume preceding the date of grant of the options. The ESOS and pricing of the stock options is in line with SEBI (Share Based Employee Benefits) Regulations, 2014.

During the year, no grant of stock options has been made under any of the ESOS Schemes of the Company.

a. The particulars of the options granted and outstanding up to March 31, 2021 are as under:

Particulars	**ESOS 2000**	**ESOS 2007**	**ESOS 2018**
Options granted	26,284,226	48,752,000	89,430,000
Options declined	-	-	810,000
Options vested	-	15,403,400	69,356,600
Options exercised	3,480,412	-	-
Number of shares allotted pursuant to exercise of options	3,480,412	-	-
Options forfeited / lapsed	22,803,814	33,348,600	9,532,400
Extinguishment or modification of options	-	-	-
Total number of options in force	-	15,403,400	79,087,600
Amount realized by exercise of options (₹)	-	-	-

b. Diluted Earnings Per Share (EPS) pursuant to issue of Equity Shares on exercise of options calculated in accordance with Accounting Standard 20 (AS-20):

In 3 years prior to IPO

Financial Year	**Diluted EPS (in ₹)**
2002-03	(0.09)
2003-04	0.17
2004-05	2.18

Last 5 years

Financial Year	Diluted EPS (in ₹)
2016-17	0.77
2017-18	0.44
2018-19	0.42
2019-20	0.42
2020-21	0.79

c. The number of stock options held by the Directors as on March 31, 2021 are as below:

Name of Director	Number of options	Average Exercise Price (in ₹)
Mr. Ashok Shah	NIL	N.A.
Dr. Shashank Desai*	NIL	N.A.
Ms. Zohra Chatterji	NIL	N.A.
Mr. Avaya Kumar Mohapatra$	NIL	N.A.
Mr. Rajeev Kumar Sinha	NIL	N.A.
Ms. Anjoo Navalkar ^	NIL	N.A.
Mr. Pravir Kumar Vohra#	NIL	N.A.
Mr. Sandeep Kumar Gupta**	NIL	N.A.
Mr. Padmanabhan Iyer^^	87,30,000	10
Mr. Thompson Gnanam##	NIL	N.A.

* Resigned as an Independent Director on July 30, 2020

$ Resigned as Nominee Director (Allahabad Bank) on June 5, 2020

^ Resigned as Non-Executive Director on October 25, 2020

Appointed as a Non-Executive Director effective September 1, 2020

** Appointed as Nominee Director (Indian Bank) effective October 22, 2020

^^ Designation was changed from Managing Director and Global CEO & CFO to Non-Executive Director effective April 1, 2021 as required under the Product Business Sales transaction of the Company. Further , he resigned as Non- Executive Directors on June 9, 2021

Appointed as Whole-time Director effective March 18, 2021. He was further designated as Managing Director and Global CEO effective April 1, 2021.

d. Details related to ESOS

Particulars	ESOS 2000	ESOS 2007	ESOS 2018
Date of shareholders' approval	January 28, 2020 further amended on July 22, 2005	July 25, 2007	July 31, 2018
Total number of options approved under ESOS	13,261,213	74,915,513	100,000,000
Vesting Requirements	The options granted vest in a phased manner over three years		
Exercise price or pricing formula	₹10/-	₹10/-	₹10/-
Maximum term of options granted	10 years from the date of grant or 5 years from the date of vesting of options whichever is later		5 years from the date of vesting
Source of shares (primary, secondary or combination)	Primary		
Variation in terms of options	As per ESOS 2000, the limit for grant of maximum number of Options to any Eligible Employee in a financial year was not in excess of 5% of the issued equity shares of the Company at the time of grant of the Options. The aggregate limit of all such Options granted to all the Eligible Employees was upto 25% of the aggregate number of issued equity shares of the Company as at the time of grant of the options.	As per ESOS 2007, the aggregate limit of all Options granted to all the Eligible Employees was upto 25% of the aggregate number of issued equity shares of the Company as at the time of grant of the options from time to time subject to a maximum of 50 million shares of ₹10/- each (excluding the stock options granted as on July 25, 2007), which shall increase or decrease proportionately in the ratio of any further split, consolidation, bonus issue of shares or any other corporate action that has the effect of alteration of the share capital from time to time.	As per ESOS 2018, the aggregate limit of all options granted to all the Eligible Employees was upto 15% of the paid-up share capital of the Company, subject to a maximum of 10 Crore shares of the Company of ₹10/- each, on such terms and conditions as approved by the Shareholders.

Method used to account for ESOS	Fair Value Method

e. Movement for each ESOS during the year

Particulars	ESOS 2000	ESOS 2007	ESOS 2018
Number of options outstanding at the beginning of the period	-	15,653,400	82,110,550
Number of options granted during the year	-	-	-
Number of options forfeited / lapsed during the year	-	250,000	3,022,950
Number of options vested during the year	-	-	38,073,500
Number of options exercised during the year	-	-	-
Number of shares arising as a result of exercise of options	-	-	-
Money realized by exercise of options (INR), if scheme is implemented directly by the company	-	-	-
Loan repaid by the Trust during the year from exercise price received	N.A.	N.A.	N.A.
Number of options outstanding at the end of the year	-	15,403,400	79,087,600
Number of options exercisable at the end of the year	-	15,403,400	69,356,600

f. Employee Wise Details of options granted to-

Sr. No.	Name	Number of options granted during the year	Exercise Price (in ₹)	Designation
	Senior Managerial Personnel			
	NIL			
	Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and			
	None			
	Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant			
	None			

Annexure IV

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2021

[*Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,
The Members of,
3i Infotech Limited
Tower-5, International Infotech Park,
Vashi, Navi Mumbai – 400 703

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by 3i Infotech Limited having CIN: L67120MH1993PLC074411(hereinafter called the 'Company') for the financial year ended on 31st March,2021 (the "audit period").

We conducted the Secretarial Audit in a manner that provided us a reasonable basis for evaluating the Company's corporate conducts/ statutory compliances and expressing our opinion thereon.

We are issuing this report based on:

(i) Our verification of the Company's books, papers, minutes books, forms and returns filed, records provided through e-mails and other records maintained by the Company;

(ii) Compliance certificates confirming compliance with all laws applicable to the Company given by the Key Managerial Personnel / Senior Managerial Personnel of the Company and taken on record by the Audit Committee / Board of Directors; and

(iii) Representations made, documents shown and information provided by the Company, its officers, agents and authorized representatives during our conduct of Secretarial Audit

We hereby report that, in our opinion, during the audit period covering the financial year ended on 31st March 2021, the Company has:

(i) Complied with the statutory provisions listed hereunder; and

(ii) Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

The members are requested to read this report along with our letter of even date annexed to this report as Annexure-A.

1. Compliance with specific statutory provisions

We further report that:

1.1 We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company during the year according to the applicable provisions / clauses of:

(i) The Companies Act, 2013 (the "Act") and the Rules made thereunder; The Company had made an application on August 17, 2020 under Section 96 of the Companies Act, 2013 to the Registrar of Companies, Mumbai, requesting for an extension of time for holding of Annual General Meeting (AGM) for the Financial year ended on March 31, 2020. However, Registrar of Companies ("ROC"), Mumbai vide its Order dated September 8, 2020 had granted general extension of time for holding the AGM for the Year ended 2020 to all Companies within its jurisdiction, up to December 31,2020. The AGM of the Company was duly held on December 23, 2020.

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, External Commercial Borrowings and Overseas Direct Investment;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(d) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client; and

(f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(vi) Secretarial Standards issued by The Institute of Company Secretaries of India (Secretarial Standards).

1.2 During the period under review:

(i) The Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines and Secretarial Standards as mentioned above.

(ii) The compliance with the provisions of the Rules made under the Act about the meetings of Board and Committees, held through video conferencing were verified based on the minutes of the meetings provided by the Company.

1.3 We are informed that during / in respect of the year, the Company was not required to initiate any compliance related action in respect of the following laws / rules / regulations / standards and was consequently not required to maintain any books, papers, minute books or other records or file any forms/ returns thereunder:

(i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009

(ii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and

(iii) The Securities and Exchange Board of India (Issue and Listing of Debt securities) Regulations, 2008;

2.Board processes:

We further report that:

2.1 As on 31st March, 2021, the Board of Directors of the Company comprised of:

(i) Two Executive Directors;

(ii) Three Non-Executive Non-Independent Directors (including two nominee directors); and

Two Non-Executive Independent Directors, including a Woman Independent Director appointed by the Board of Directors of the Company whose appointment was approved by the Shareholders at the Annual General Meeting held on December 23, 2020.

2.2 The processes relating to the changes in the composition of the Board of Directors and/ or Key Managerial Personnel during the year were carried out as stated in the directors report under para Directors and Key Managerial Personnel ("KMP") in compliance with the provisions of the Act and LODR:-

(i) Appointment of Ms. Zohra Chatterji (DIN- 01382511) as an Independent Director of the Company for a term of 5 years effective March 24, 2020 at 27th AGM dated 23rd December, 2020.

(ii) Appointment of Mr. Pravir Kumar Vohra (DIN- 00082545) as a Non-Executive Director of the Company, liable to retire by rotation, at 27th AGM dated 23rd December, 2020.

(iii) Re-appointment of Mr. Ashok Shah (DIN- 01194846) as an Independent Director of the Company for another term of 5 years effective October 1, 2020, at 27th AGM dated 23rd December, 2020.

(iv)Resignation of Mr. Avaya Kumar Mohapatra (DIN: 07811921) as Nominee Director of the Company w.e.f. 5th June 2020.

(v) Appointment of Mr. Sandeep Kumar Gupta (DIN-08911963) as a Nominee Director-Indian Bank on the Board of the Company in its Board Meeting dated 22nd October, 2020.

(vi) Resignation of Ms. Anjoo Navalkar (DIN: 00270356) as a Director of the Company w.e.f. 25th October, 2020.

(vii) Resignation of Mr. Shashank Desai (DIN: 00143638) as a Director of the Company w.e.f. 30th July, 2020.

(viii) Appointment of Mr. Avtar Singh Monga (DIN- 00418477) as an Additional Director (designated as Non-Executive Independent) Director by Board of Directors at its meeting dated 1st April 2021 to hold office for a term upto 5 consecutive years which was further approved by the Members vide resolution passed through Postal Ballot on 19th September, 2021, the results of which were declared on 21st September, 2021.

(ix) Resignation of Mr. Padmanabhan Iyer as Managing Director & Global CEO and CFO of the Company and re-designation of Mr. Padmanabhan Iyer as a Non-executive Director of the Company w.e.f. 1st April, 2021. Mr. Iyer further stepped down as a Non-executive Director of the Company w.e.f. 9th June 2021.

(x) Appointment of Mr. Mrinal Ghosh as Chief Financial Officer (CFO) of the Company and approval of his terms of remuneration as CFO w.e.f. 1st April 2021. Mr. Mrinal Ghosh stepped down as Chief Financial officer w.e.f. September 14, 2021.

(xi) Appointment of Mr. Thompson Gnanam (DIN- 07865431) as an Additional Whole Time Director (to be designated as CEO and MD -Designate) on the Board of the Company with effect from March 18, 2021. Further the Board of Director at its Meeting held on 1, April 2021 appointed Mr. Thompson Gnanam as a Managing Director and Global CEO of the Company and approval of his terms of remuneration as MD and Global CEO of the Company for a period of 5 years with effect from April 1, 2021, which was further approved by the Members vide resolution passed through Postal Ballot on 19th September, 2021, the results of which were declared on 21st September, 2021.

2.3 Adequate notice was given to all the directors to enable them to plan their schedule for the Board meeting, which were compliant with the provisions of the Act as prescribed.

2.4 Notice of the meetings of Board and Committees were sent to all the directors at least seven days in advance as required under Section 173 (3) of the Act and SS-1except for those which were sent through the shorter notice.

2.5 Agenda and detailed notes on agenda were sent to all the directors at least seven days before the Board and Committee Meetings

2.6 Agenda and detailed notes on agenda for the following items were either circulated separately less than seven days before or at the meetings of Board and consent of the Board for so circulating them was duly obtained as required under SS-1

(i) Supplementary agenda notes and annexures in respect of unpublished price sensitive information such as audited financial statement / results, unaudited financial results and connected papers; and
(ii) Additional subjects/ information/ presentations and supplementary notes

2.7 A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meeting and for their meaningful participation at the meeting.

2.8 We note from the minutes verified that, at the meetings of Board held during the year:

(i) Decisions were carried through on the basis of majority; and
(ii) No dissenting views were expressed by any member of the Board on any of the subject matters discussed, that were required to be captured and recorded as part of the minutes.

3.Compliance mechanism
There are reasonably adequate systems and processes in the Company, commensurate with the size and operations of the Company, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

4.Specific events / actions

4.1 During the year under review, the following specific events/ actions having a major bearing on the Company's affairs took place, in pursuance of the above referred laws, rules, regulations and standards:

1.The Board of Directors of the Company ("Board"), at its meeting held on December 28, 2020, and the shareholders of the Company, vide postal ballot concluded on February 28, 2021, have approved, subject to receipt of requisite approvals, A] sale of the global software products business 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. The Company and its subsidiaries in relevant jurisdictions executed inter alia business transfer agreements (BTA) with Azentio on December 28, 2020 towards this transaction. Aggregate consideration for the aforesaid transaction is INR 1,000,20,00,000 (Indian Rupees One Thousand Crores Twenty Lakhs) as per the below break-up, subject to customary working capital and other adjustments in accordance with the provisions of the BTA and other transaction related documents.

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
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
Total	1,000,20,00,000

The slump sale has been completed on March 31, 2021, except for subsidiaries in Saudi Arabia and Thailand where regulatory approvals were yet to be received.

2. During FY 2020-21, the Company has filed the draft Scheme of Arrangement between the Company and its Shareholders for the reduction of share capital of the Company pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Scheme") with the Hon'ble National Company Law Tribunal,Special Bench, Mumbai (NCLT) on May 25, 2020 seeking directions to convene equity shareholders' meeting towards approval of the Scheme. Pursuant to directions issued by NCLT Special Bench, vide its order dated June 1, 2020, the Company has convened and held meeting of the equity shareholders of the Company on July 21, 2020 through video conferencing / other audio-visual means, where the equity shareholders have approved the Scheme with requisite majority. The NCLT has granted an exemption to the Company from calling a meeting of its Preference Shareholders and Secured and Unsecured Creditors. The Company has, thereafter, filed a petition with the Hon'ble NCLT, Mumbai Bench on August 3, 2020 seeking sanction/approval of the Scheme. NCLT has admitted the petition on October 27, 2020. NCLT had fixed February 2, 2021 for the final hearing and disposal of the petition. Approval of NCLT on the Scheme is awaited as on March 31, 2021. We understand that after end of the financial year 2020-21, the matter has been listed for pronouncement on April 26, 2021 and NCLT has sanctioned the Scheme allowing the Company's Application.

The rationale for the Scheme is as under:

(i) The Company has suffered substantial losses since FY 2011-12 and has not been able to scale its business and unleash its full potential for growth and profitability. However, there has been a turnaround in the fortunes of the Company. The Company has in the financial years 2016-17, 2017-18 and 2018-19, reported profits on a consolidated basis. Further, it has also entered into a Supplemental Master Restructuring Agreement with its lenders with a view to proactively manage its debt position.

(ii) As per the audited financial statements for the year ended March 31, 2019, the Company has accumulated losses amounting to INR 2,271.66 crore. The said accumulated losses have wiped off the value represented by the share capital. Thus, the financial statements of the Company were not reflective of the financial position of the Company.

(iii) Due to huge accumulated losses of the prior years, the financial statements do not reflect the turnaround in the business of the Company. Thus, with a view to ensure that

(i) the financial statements of the Company reflect its true and fair financial health/ position; and
(ii) to obliterate the share capital being lost and not represented by available assets of the Company,it was necessary to carry out reduction of share capital of the Company. Subsequent, to capitalreduction, the consolidation of equity shares aims to maintain optimum liquidity in the market commensurate with other entities of similar size and in similar business.

(iv) The reduction of share capital and subsequent consolidation in the manner proposed herein would enable the Company to rationalise its capital structure and present a true and fair financial position of the Company which is commensurate with its business and assets.
(v) Hence, the proposed reduction of share capital and subsequent consolidation is in the interest of the Company and its shareholders, creditors and all concerned.

Salient features of the Scheme include:

(i) The entire issued, subscribed and paid-up equity share capital of the Company as on the Record Date shall stand reduced, by reducing the face value of the equity shares from the present sum of INR 10 (Ten) each fully paid to INR 1 (One) each fully paid. Further, immediately upon reduction in the face value of such equity shares of the Company, 10 (Ten) equity shares of face value of INR 1 (One) each (as reduced) shall be consolidated into 1 (One) fully paid-up equity share of INR 10 each.
(ii) The proposed reduction in face value of equity shares and the subsequent consolidation as contemplated in the Scheme shall be in respect of all the equity shares held by the Members of the Company. Therefore, there will be no change in the shareholding percentage post giving effect to reduction and consolidation of the equity share capital.

3. The Board of Directors at their meeting held on January 22, 2021, had approved the amendment in terms of 0.01% Cumulative Non-Convertible Redeemable Preference Shares of Rs.5/- each (“Class A Preference Shares”) and 0.10% Cumulative Non-Convertible Redeemable Preference Shares of Rs.5/- each (“Class B Preference Shares”), which are due for redemption on March 15, 2026, in terms of Section 48 of the Companies Act, 2013. Later, Class A Preference Shareholders and Class B Preference Shareholders had vide resolution passed through Postal Ballot on February 28, 2021, the results of which were declared on March 2, 2021, accorded theirapproval for amendment in terms of Class A Preference Shares and Class B Preference Shares.

For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]

Venkataraman Krishnan
Associate Partner
FCS No.:-8897 COP No.:-12459
UDIN:- A008897C001376241

Place: Mumbai
Date:- 8th November, 2021

Annexure A to the Secretarial Audit Report for the financial year ended 31st March 2021

To,

The Members of

3i Infotech Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. We have considered compliance related actions taken by the Company based on independent legal / professional opinion obtained as being in compliance with law.
4. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the Company on a test basis. We believe that the processes and practices we followed, provides a reasonable basis for our opinion.
5. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
6. We have obtained the management's representation about the compliance of laws, rules and regulations and happening of events ,wherever required.
7. Our Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]

Venkataraman Krishnan
Associate Partner
ACS No.:-8897
COP No.:-12459
PR No.: – 637 / 2019
UDIN:-A008897C0013762

Place: Mumbai
Date: – November 8, 2021

Annexure V

DETAILS RELATING TO REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP) AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

i. **Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21**

Name of Director	Designation	Ratio of remuneration to median remuneration of employees
Padmanabhan Iyer	Managing Director and Global CEO, CFO*	34:1
Thompson Gnanam	Additional Whole Time Director# (designated as CEO and MD Designate)	0.6:1

*Redesignated as Non-Executive Director effective April 1, 2021. Later, he resigned as Non-Executive Director on June 9, 2021.

#Appointed as Additional Whole-time Director (designated as CEO and MD Designate) effective March 18, 2021

ii. **The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year 2020-21**

Name	Designation	Percentage increase / (decrease) in remuneration
Thompson Gnanam	Additional Whole Time Director (designated as CEO & MD designate)	0%
Padmanabhan Iyer	Managing Director and Global CEO, CFO	-16%
Rajeev Limaye	Company Secretary	-2%

iii. **The percentage increase in the median remuneration of employees in the financial year 2020-21**

The percentage increase in the median remuneration of employees in the financial year is 4% on a like to like basis. The median remuneration for FY 2020-21 includes applicable performance bonus for the previous year.

iv. **The number of permanent employees on the rolls of Company**

The number of permanent employees on the rolls of the Company as at March 31, 2021 was 2199.

v. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**

Not applicable for last year since there have been no increments made for employees last year. The average decrease in the remuneration of the KMP is 13%.

vi. **Affirmation that the remuneration is as per the remuneration policy of the Company**

The Company affirms that the remuneration is as per the remuneration policy of the Company.

Annexure VI

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2020-21

<table>
<tr><td>1.</td><td>A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs</td><td>Kindly refer the Corporate Social Responsibility Policy as stated therein below at the Company's website at following link:
https://www.3i-infotech.com/wp-content/uploads/downloads/2017/08/CSR-Policy.pdf</td></tr>
<tr><td>2.</td><td>The composition of the CSR Committee as on March 31, 2021</td><td>1.Mr. Ashok Shah – Chairman
2.Mr. Padmanabhan Iyer- Member</td></tr>
<tr><td>3.</td><td>Average net profit of the Company for last three financial years</td><td><table><tr><th>Particulars</th><th>FY 19-20</th><th>FY 18-19</th><th>FY 17-18</th></tr><tr><td>Net Profit/(Loss) before tax
(₹ in crores)</td><td>(1855.28)</td><td>(2006.04)</td><td>(2276.57)</td></tr></table>Average Net Profit/(Loss) before tax for last 3 years calculated in accordance with Section 198 of Companies Act, 2013 = (₹ 2045.96 crores) i.e. [{(6137.89)}/3]</td></tr>
<tr><td>4.</td><td>Prescribed CSR expenditure (two percent of the amount as in item 3 above)</td><td rowspan="2">As per Section 135 of the Companies Act, 2013, the Company does not meet the applicability threshold. Hence, the provisions of the said section are not applicable for the current Financial Year.</td></tr>
<tr><td>5.</td><td>Details of CSR spent during the financial year:
a) Total amount to be spent for the financial year
b) Amount unspent, if any
c) Manner in which the amount spent during the financial year is detailed below:</td></tr>
</table>

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No	**CSR Project or activity identified**	**Sector in which the project is covered**	**Projects or programs (1) Local area or other (2) specify the state and district where projects or programs was undertaken**	**Amount outlay (budget) project or programs wise**	**Amount spent on the projects or programs (1) Direct expenditure on projects or programs (2) Overheads**	**Cumulative expenditure upto the reporting period**	**Amount spent: Direct or through implementing agency**
	-	-	-	-	-	-	-

6. In case the Company has failed to spend two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report: *Not applicable.*
7. The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and Policy of the Company.

For 3i Infotech Limited

Sd/-	**Sd/-**
Thompson Gnanam	**Ashok Shah**
Managing Director and Global CEO	**Chairman – CSR Committee**

MANAGEMENT DISCUSSION & ANALYSIS

The management discussion and financial analysis is based on the consolidated financial statements prepared in accordance with the Generally Accepted Accounting Principles ('GAAP') and in compliance with the Indian Accounting Standards ('Ind AS').

GLOBAL INFORMATION TECHNOLOGY INDUSTRY

As per Forrester, global tech investment was flat in the pandemic recession of 2020 but will bounce back to 6.5% growth in 2021 and 2022, driven primarily by software's expected 10% growth in both years. The largest tech markets, China and the US, are experiencing rapid economic recoveries and will account for 56% of tech investment growth in 2021 as other regions lag due to lingering recessions from continued or resurgent COVID-19 cases. Asian and European tech markets are also caught in the crossfire between the US and China over technology protectionism. Over the next decade, software, tech services, and the availability of tech workers with advanced digital skills will drive tech market growth. Global tech purchases will grow by a solid 6.5% in 2021.

The compounded annual growth rate of technology purchases from 2019 to 2022 in Asia Pacific (APAC) and North America will outpace that of other regions. The largest tech markets, China and the US, are experiencing rapid economic recoveries and will account for 56% of tech investment growth in 2021. In most countries, economic growth in 2021 will erase the declines in 2020.Europe was one of the regions most affected by the decline in tech investment in 2020.Strong demand for telecom services in the Middle East and Africa will help the region return to growth in 2021. Latin America will see tech spending grow in local currency terms, but a resurgent pandemic will keep 2022 investment levels below 2019.

Tech services and software will drive tech market growth over the next decade, powered by tech workers with advanced digital skills. However, COVID-19 has increased protectionism, as countries have realized how much they depend on companies in other countries for drugs, vaccines, medical equipment, and technology.US trade tensions with China and other international frictions make tech collaboration more challenging.

KEY MILESTONES FOR 3I INFOTECH

3i Infotech (Company) was incorporated in 1993 as a wholly owned subsidiary of ICICI Limited. ICICI Limited was merged with ICICI Bank with effect from March 29, 2002. The Company began functioning as a back-office processing company for ICICI/ICICI Bank, certain of their subsidiaries and affiliates. In 1999 technology initiatives across ICICI/ICICI Bank, certain of their subsidiaries and affiliates were consolidated under the Company. Additionally, in order to leverage the expertise derived by servicing ICICI Limited /ICICI Bank, certain of their subsidiaries and affiliates, the Company made an entry into information technology services business in late 1999 by providing: (i) software development and services; (ii) IT infrastructure and network management; and (iii) IT enabled BPO services. In March 2002, ICICI divested majority of 3i Infotech Equity Shares, by virtue of which we ceased to be a subsidiary of ICICI Limited.

In 2005, the company had changed its name from ICICI Infotech Ltd. to 3i Infotech Ltd. The new company filed red herring prospectus with SEBI for IPO. The IPO of the company, which closed on April 4, 2005, was subscribed by more than six times. It received more than 1.72 lakh applications accounting for a total demand of over 12.1 crore shares. The institutional portion was subscribed 5.16 times, with a total demand for over 5.05 crore shares.

Between 2006 to 2010, the company opened product development center at Kochi, launched Technology Centre of Excellence forming partnership with Oracle, launched Global Development Centre (GDC) in Chennai and also acquired majority stake in Fineng Solutions Pvt Ltd & Delta Services.

During 2011-12, especially by the end of second quarter of the year, due to global economic slowdown when the business environment was gloomy, the bankers were also adopting conservative approach for funding the re-financings. As a result of this, the Company started facing liquidity crunch and it was not able to fulfill some of its repayment obligations. In order to overcome debt repayment obligations, the company made a reference to the Corporate Debt Restructuring (CDR) cell on December 28, 2011 for restructuring of the debts of the Company through CDR Mechanism envisaged under the Reserve Bank of India (RBI) guidelines dated August 23, 2001 and subsequent amendments thereto. The final restructuring package was approved by CDR empowered group on March 16, 2012. The Master Restructuring Agreement was signed with the lenders participating in the CDR package ("CDR Lenders") on March 30, 2012.

In 2016, the company approved another CDR scheme for waiver of all unpaid interest dues from 1 April 2014 till 31 March 2016, including liquidated damages & penal interest. If there is any shortfall in servicing of interest/ unpaid interest till 31 March 31 2014, the lenders would be allotted equity shares of the company at face value towards the shortfall amount 'unpaid amount. The lenders have also approved conversion of 35% of the debt into non-convertible redeemable preference shares, with a coupon rate of 0.10% and maturity of 10 years. Further, the lenders approved conversion of 40% of the debt into equity shares of the company at face value of Rs 10 each and retention of balance 25% net debt with elongated repayment schedule and revised interest rate. The company's board had submitted the CDR to the lenders on 7 December 2015. The company issued the letter of approval dated 14 June 2016.

In same period, 3i Infotech bagged the "Best Innovative IT Company Of The Year" award, re-launched Orion ERP in India and showcased advanced BFSI solutions at the Connect Expo positioning itself among the 20 Most Promising ERP Solution Providers 2016.

In 2020, the Board of Directors of the 3i Infotech ("Board"), at its meeting held on December 28, 2020, and the shareholders of the Company, vide postal ballot concluded on February 28, 2021, have approved slump sale of global software products business on a going concern basis -

a) sale of the global software products business 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.

The Company executed inter alia business transfer agreements (BTA) with Azentio Software Private Limited on December 28, 2020 towards this transaction. Aggregate consideration for the aforesaid transaction is INR 1,000.20 Crores (Indian Rupees One Thousand Crores Twenty Lakhs). The slump sale has been completed on March 31, 2021, except for subsidiaries in Saudi Arabia and Thailand where regulatory approvals were yet to be received.

The buyer is Azentio Software Private Limited alongwith its parent and fellow subsidiaries (collectively "Azentio Group") worldwide. Azentio Group is wholly owned by private equity funds advised by Apax Partners. Apax Partners is an independent global partnership focused solely on long-term investment in growth companies across four global sectors: Tech & Telco, Services, Healthcare, and Consumer.

With more than 25+ years of experience, 3i Infotech become provider of IP based software solutions and information technology services in India and internationally. A comprehensive set of software solutions, coupled with a wide range of IT services, uniquely positions the Company to address the dynamic requirements of a variety of industry verticals, predominantly Banking, Financial Services, Insurance, Capital Markets and Asset & Wealth Management (BFSI). The Company also provides solutions for other verticals such as Government, Manufacturing, Distribution, Telecom, Healthcare and Retail. The Company has over 480+ clients, in more than 15+ countries.

The Company's quality certifications include ISO 9001:2015 for Business Process Outsourcing, Application Development & Maintenance Services, e-Governance, Business Intelligence & Infrastructure Management Services, ISO/IEC 27001:2013 for Data Centre Operations for Mumbai, Chennai, Bengaluru & Hyderabad locations & ISO 20000:2018 for our IT Services management process at Chennai location. 3i Infotech currently maintaining CMMi Level 3 certification and we have initiated our process of upgrading our CMMi certification from version 1.3 to 2.0 at maturity level 3 and the recertification for Development and Services across Mumbai, Chennai, Bengaluru & Hyderabad will be completed by January 2022.

3i Infotech's Global Delivery Model provides for optimal resources, to be drawn from its vast talent pool across the globe, to offer best fit solutions to customers. Our service offering model facilitates customized solutions to enable customers to undertake technology-based business transformation and reorganize in line with today's dynamic digital business environment.

WAY FORWARD – "NEW 3I INFOTECH"

After slump sale of product business from 3i Infotech, the new 3i Infotech has a new vision, mission and goals for its lines of business and overall business strategy. We believe that FY21-22 will be the period of transformation for new 3i Infotech as we are changing the structure as well as business model for creating new 3i Infotech. With the new management, on business side we have entered in three new business segments such as Digital Business Services, Digital Transformation Consulting and NextGen Business Services along with our existing Enterprise Services business. Whereas on operations side we have created new Marketing, Revenue Assurance and Strategy process to support our overall growth plan. This year we have restructured our management and also added top notch people to our team. We have hired Chief Marketing Officer, Chief Growth Officer for North America, EMEA (Europe Middle East & Africa) region, India Business Head, India Head for Business Process Services, Global Delivery Head for AAA (Application Automation Analytics) and Global Practice Head for Cloud Solutions. We consider the new 3i Infotech structure and business strategy can fuel future growth of organization in coming quarters in all major territories, creating more value for our clients and bringing business for us.

3i Infotech is at the cusp of a new growth story since restructuring started, and our aim is to be a one-stop digital transformation resource for our global clientele, with a customer-first approach and a human-centric outlook. As we step into a new decade of 5G data and technology, 3i Infotech envisions being the steady force to lead our clients into the new dawn of digital business services. We are strong advocates of the fact, that what worked for the last decade will not work in future unless we realign ourselves to a digital led transformation. We believe that the only way to do this is through the adoption of disruptive technology, whether it is – Artificial Intelligence, the Internet of Things, Machine Learning and so on to pave the way for cognitive transformation in all businesses.

We are looking to Run, Grow and Build. Run with the existing services, Grow with disrupting digital and Build with a differentiator. We look to position digital inside our Altiray solution stack, work on Security as a Service (SASE). Based on a 'Digital' and a 'Cloud-first' approach, the new 3i Infotech a cognitive services solution-oriented company will help in accelerating technology and product startups across the ecosystem. We are creating a future where digital transformation and business process management converge, and where technology and automation execute strategies at the highest efficiency. The focus will be on value to a customer, orchestrating solutions, incubating companies that harness the power of 5G.

IT PRODUCTS & SERVICES

Our offerings are categorized as per nature of client requirements such as Enterprise Services, Digital Business Services, Digital Transformation Consulting and NextGen Business Services.

Enterprise Services

- ✓ Application ,Automation & Analytics Services (AAA)
- ✓ Digital Infra Management Services (IMS)
- ✓ Business Process Services

Digital Business Services

- ✓ Cloud First Service – IaaS, SaaS, PaaS (aPaaS, dbPaaS, iPaaS)
- ✓ BPaaS, KPaaS, GRCaaS, BaaS
- ✓ Altiray Digital Services

Digital Transformation Consulting

- ✓ Digital Consulting
- ✓ Technology Consulting
- ✓ Design Thinking

NextGen Services

- ✓ 5G Enabled Services
- ✓ IOT
- ✓ Edge Computing
- ✓ Cyber Security
- ✓ SASE

Enterprise Services business comprises Application-Automation-Analytics (AAA), Infrastructure Management Services, Business Process Services. Our Digital Business Services consists of Cloud Computing (Cloud First), Platform Solutions (BPaaS, KPaaS, GRC) and Altiray powered digital services.

We are also offering Digital Transformation Consulting for Enterprise Technology Change Management, Design Thinking, Cultural Transformation, Collaboration and Knowledge Management. Our NextGen Business services includes 5G,powered services, SASE, Edge Computing, Cognitive Computing, Internet of Things (IoT, IIoT), Cyber Security Services etc.

Over 25 years of experience across the Banking & Financial Services, Insurance & Healthcare and Government spectrum gives us an exceptional edge and puts us in a leadership position. Our long-standing understanding of industry practices across these sectors, and across the globe, helps us understand customers' needs and pain points, tailor our solutions to suit their specific needs and add value to their services to their customers. In addition to this, our ongoing investment in our products and services ensures that our products retain their cutting edge. The domain expertise ensures that we identify and facilitate our customers' digital transformation journey with maximum impact benefiting their business. Our engagement with industry experts and regulators keeps us abreast of market developments which reflect in our product enhancements.

FINANCIAL STATEMENTS FOR THE YEAR

Profit and Loss account of the Group

The table below shows the Profit and Loss account of the Group for the year ended March 31, 2021

Particulars	31-Mar-21 (INR Cr)	31-Mar-20* (INR Cr)
REVENUE		
Revenue from operations (net)	608.62	698.22
Other income	23.59	19.54
Total Revenue (I)	**632.21**	**717.76**
EXPENSES		
Employee benefits expense	496.39	465.86
Cost of third party products and services	57.06	133.10
Finance costs	84.73	90.40
Depreciation and amortization expense	15.42	14.16
Other expenses	88.16	61.69
Total Expenses (II)	**741.76**	**765.21**
Exceptional Items		
Gain or Loss on Loan Settlement (IND AS)	(7.86)	
Goodwill written off	(131.00)	
Gain or Loss on Sale of Business	355.53	
Gain or Loss on Sale of IPR	132.33	
Gain or Loss on Loan Settlement	41.38	
Total Exceptional Items	**390.38**	**0.00**
Profit/(loss) before tax (I-II)	**280.84**	**-47.45**
Tax expense:		
Current tax	19.99	13.70
Adjustment of tax relating to earlier periods	0.25	(0.04)
Deferred tax	2.82	(0.23)
Profit/(loss) for the year	**257.78**	**-60.88**
Profit/(loss) for the year from Discontinued Operations	**133.39**	**128.90**
OTHER COMPREHENSIVE INCOME		
A. Other Comprehensive Income not to be reclassified to profit and loss in subsequent periods:		
Remeasurement of gains (losses) on defined benefit plans	(4.43)	3.05
Income tax effect	0.46	(0.07)
B. Other Comprehensive Income to be reclassified to profit and loss in subsequent periods:		
Other Comprehensive income for the year, net of tax	**(3.98)**	**2.97**
Total Comprehensive Income, Net of Tax	**387.19**	**71.01**

**After slump sale of our product business revenues are adjusted for service business*

Balance Sheet

CONSOLIDATED BALANCE SHEET AS AT MAR 31, 2021

Particulars	31-Mar-21 (INR Cr)	31-Mar-20 (INR Cr)
ASSETS		
Non-Current Assets		
(a) Property, Plant and Equipment	54.33	138.96
(b) Right-To-Use Asset	29.31	46.15
(c) Goodwill	304.06	435.06
(d) Other Intangible Assets	0.01	230.58
(e) Financial Assets		
(i) Investments	0.16	0.16
(ii) Other Financial Assets	12.10	11.48
(f) Deferred Tax Asset (Net)	1.59	3.87
(g) Income Tax Asset	95.42	131.68
(h) Other Non-Current Assets	10.16	11.88
Total Non-Current Assets	**507.15**	**1,009.82**
Current Assets		
(a) Inventories		
(b) Financial Assets		
(i) Trade Receivables	88.26	191.72
(ii) Cash and Cash Equivalents	675.67	89.53
(iii) Bank Balances Other than (ii) above	14.92	1.47
(iv) Loans		
(v) Other Financial Assets	71.55	207.54
(c) Contract Assets		
(d) Other Current Assets	37.38	28.58
Total Current Assets	**887.79**	**518.84**
Non-Current Assets classified as held for sale	90.78	-
TOTAL ASSETS	**1,485.71**	**1,528.66**
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity Share capital	1,616.65	1,616.65
(b) Other Equity	(863.76)	(1,225.18)
Equity attributable to equity holders of the parent	752.89	391.47
Non Controlling Interest		
Total Equity	**752.89**	**391.47**

LIABILITIES		
Non Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	516.15	765.91
(ii) Lease Liabilities	25.20	43.01
(b) Other Non Current Liabilities		
(c) Provisions	16.03	19.62
Total Non-Current Liabilities	**557.39**	**828.53**
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings		
(ii) Lease Liabilities	8.48	6.50
(ii) Trade Payables		
Total outstanding dues of Micro enterprises and Small enterprises		
Total outstanding dues of creditors other than micro enterprises and small enterprises	55.45	73.89
(iii) Other Financial Liabilities	54.90	115.37
(b) Contract Liabilities		
(c) Other Current Liabilities	25.20	96.92
(d) Provisions	1.85	2.45
(e) Current Tax Liabilities (Net)	13.52	13.52
Total Current Liabilities	**159.39**	**308.65**
Liabilities directly associated with non-current assets classified as held for sale	**16.04**	
Related Party Balances		
TOTAL EQUITY AND LIABILITIES	**1,485.71**	**1,528.66**

SCHEME OF ARRANGEMENT

The Board of Directors, at its Meeting held on June 29, 2018, had approved a scheme of arrangement between the Company and its Shareholders under Sections 230 to 232 of the Companies Act, 2013 ("Scheme") towards -

a) Reduction of share capital of the Company on the Record Date (as defined in the Scheme) by reducing the face value of the equity shares of the Company from ₹10 each fully paid to ` 1 each fully paid. The capital so reduced will be utilized to write off the accumulated losses of the Company.

b) Immediately upon such reduction in face value of the equity shares of the Company, consolidation of 10 equity shares of ₹1 into one fully paid equity share of ₹10 each.

Further, on July 13, 2018, the Company had filed the draft Scheme proposed to be filed before the National Company Law Tribunal (NCLT) with the Stock Exchanges for obtaining observation/ no-objection Letter as per Regulation 37 of SEBI LODR and had received the observation letters with respect to draft Scheme from BSE Limited (BSE) on November 27, 2018 and National Stock Exchange of India Limited (NSE) on November 28, 2018. The observation letters were valid for six months from the date of their issuance during which time the draft Scheme along with the observation letters could be filed with NCLT. However, the management had decided to keep the filing of the draft Scheme with NCLT on hold due to internal re-consideration of certain factors relating to the draft Scheme in the best interest of the Company during this period and the draft Scheme was not filed within these six months.

Later, on December 10, 2019, the Company filed the draft Scheme with stock exchanges again as per Regulation 37 of SEBI LODR and received the observation letters from BSE and NSE on March 9, 2020. The draft Scheme was filed with NCLT on May 25, 2020 for seeking directions to convene meeting of equity shareholders towards approval on the Scheme and exemption from convening meetings of preference shareholders and creditors. Acceding to the Company's request, NCLT, Special Bench, Mumbai issued such directions vide its order dated June 1, 2020. Accordingly, the Company convened and held meeting of the equity shareholders on July 21, 2020 through video conferencing/other audio visual to consider, and if thought fit, to pass resolution for approval of the Scheme. The resolution for approving the Scheme was passed by the requisite majority as prescribed under Section 230 (1) and (6) read with Section 232 (1) of the Companies Act, 2013.

The Company filed a petition with NCLT, Mumbai Bench on August 3, 2020 seeking approval on the Scheme. NCLT admitted the petition on October 27, 2020 and fixed February 2, 2021 for the final hearing and disposal of the petition. NCLT's approval on the Scheme was awaited as on March 31, 2021. Thereafter, the matter was listed for pronouncement on April 26, 2021 and NCLT sanctioned the Scheme allowing the Company's application vide its order pronounced on April 26, 2021. Certified copy of this order was received by the Company on June 10, 2021 and was filed with the Registrar of Companies on June 15, 2021 to make the Scheme effective. The Board of Directors of the Company nominated Universal Trusteeship Services Limited as the Trustee under Clause 4.3 of the Scheme and thereafter, at its meeting held on August 10, 2021, proceeded to fix Tuesday, August 31, 2021 as the Record Date for the purpose of determining the shareholders whose shares will be reduced and consolidated pursuant to the Scheme.

To facilitate Scheme implementation procedures, trading in shares of the Company was suspended by the stock exchanges from August 30, 2021 (i.e. from the close of trading hours on August 27, 2021).

Thereafter, as part of the procedures relating to implementation of the Scheme, the Company has allotted 42,136 equity shares of face value of ` 10/- each to the Trustee on September 7, 2021 in accordance with Clause 4.3 of the Scheme. These shares represent the rounded-up aggregate of fractional share entitlements of eligible shareholders arising after reduction and consolidation mentioned under Clauses 4.1 and 4.2 of the Scheme ("Trustee Shares"). Trustee Shares will be sold by the Trustee in the market upon recommencement of trading in equity shares of the Company and net sale proceeds (after deduction of the expenses incurred) shall be paid and distributed by the Trustee to the shareholders/ beneficial owners respectively entitled to the same in proportion to their fractional entitlement.

The Company has submitted applications with the stock exchanges on September 9 and September 10, 2021 towards seeking listing and recommencement of trading approvals for the post-Scheme reduced and consolidated equity shares of the Company, which include the aforesaid Trustee Shares.

Post-Scheme equity share capital of the Company as on September 7, 2021 after allotment of Trustee Shares stands at 16,16,65,487 fully paid shares of face value ₹10 each.

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Consolidated Financial Statements

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF 3I INFOTECH LIMITED

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of **3I INFOTECH LIMITED** ("*the Company*") and its subsidiaries and joint venture (the Company, its subsidiaries and joint venture together referred as "the Group") which comprise the consolidated Balance Sheet as at March 31, 2021, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year ended , and notes to financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2021, and their consolidated profit , their consolidated total comprehensive income, their consolidated changes in equity and its consolidated cash flows for the year then ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

<table>
<tr><th>Sr. No</th><th>Key Audit Matter</th><th>How was the matter addressed in our audit</th></tr>
<tr><td>1</td><td><u>Revenue recognition – Fixed price development contracts</u>
The Group inter alia engages in Fixed-price development contracts, where, revenue is recognized using the percentage of completion computed as per the input method based on management's estimate of contract costs (Refer Note 22 and Note 2(g) to the consolidated financial statements)
We identified revenue recognition of fixed price development contracts as a KAM considering There is an inherent risk around the accuracy of revenues given the customised and complex nature of these contracts and significant involvement of IT systems;
Application of revenue recognition accounting standard is complex and involves a number of key judgments and estimates including estimating the future cost-to-completion of these contracts, which is used to determine the percentage of completion of the relevant performance obligation;
These contracts may involve onerous obligations on the group that require critical estimates to be made by management; and
At year-end a significant amount of work in progress (Unbilled and Unearned revenue) related to these contracts is recognised on the balance sheet.</td><td><u>Principal Audit Procedures:</u>
Our audit procedures on revenue recognized from fixed price development contracts included:
• Obtaining an understanding of the systems, processes and controls implemented by management for recording and calculating revenue and the associated contract assets, unearned and deferred revenue balances.
• On selected samples of contracts, we tested that the revenue recognized is in accordance with the accounting standard by–
- Evaluating the identification of performance obligation;
- Testing management's calculation of the estimation of contract cost and onerous obligation, if any. We:
➢ Observed that the estimates of cost to complete were reviewed and approved by appropriate levels of management;
➢ Performed a retrospective review of costs incurred with estimated costs to identify significant variations and verify whether those variations have been considered in estimating the remaining costs to complete the contract;
➢ Assessed the appropriateness of work in progress (contract assets) on balance sheet by evaluating the underlying documentation to identify possible delays in achieving milestones which may require change in estimated costs to complete the remaining performance obligations; and
➢ Performed test of details including analytic to determine reasonableness of contract costs</td></tr>
<tr><td>2</td><td><u>Evaluation of uncertain tax position and contingent liability</u>
The Group operates in multiple jurisdictions and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business including transfer pricing and indirect tax matters. These involve significant management judgment to determine the possible outcome of the uncertain tax positions, consequently having an impact on related accounting and disclosures in the consolidated financial statements.
Refer Note 32B to the Consolidated Financial Statements</td><td><u>Principal Audit Procedures:</u>
Our audit procedures include the following substantive procedures:
• Obtained understanding of key uncertain tax positions; and
• We along with our internal tax experts –
- Read and analysed select key correspondences, external legal opinions / consultations by management for key uncertain tax positions;
- Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions; and
- Assessed management's estimate of the possible outcome of the disputed cases;</td></tr>
</table>

3	Impairment of Goodwill Refer to note 2p and note 4 to the consolidated financial statements As at March 31, 2021, the Group had goodwill amounting to INR 304.06 crores as of 31 March 2021 and impaired goodwill of 101 crores as of 31 March 2021, which relates to mainly from past acquisitions. The group is required to, at least annually, perform impairment assessments of goodwill which have an indefinite useful life and when there is an indication of impairment. In carrying out the impairment assessments, significant judgements are required to estimate the future cash flows of the Group's businesses and to determine the key assumptions, including including sales growth rates, gross profit margin, net profit margin and perpetual growth rates used to estimate future cash flows, the EBITDA multiples used in determining the terminal values, and the discount rates applied to bring the future cash flows back to their present values. Based on the results of these impairment assessments conducted by the Group, it is believed that there is sufficient headroom for balance goodwill after impairment of goodwill amounting to INR 101 crores. This conclusion is based on the recoverable amounts is exceeding the book amount of the goodwill.	Principal Audit Procedures: We understood, evaluated and validated management's key controls over the impairment assessment process. We compared the methodology used (value-in-use calculations based on future discounted cash flows) by the group to market practice. We obtained management's future cash flow forecasts, tested the mathematical accuracy of the underlying value-in-use calculations and compared the same to the approved financial budget and future forecasts. We also compared historical actual results to those budgeted to assess the quality of management's forecasts. We also assessed the reasonableness of key assumptions used in the calculations, comprising sales growth rates, gross profit margin, net profit margin, perpetual growth rate and discount rates. When assessing these key assumptions, we discussed them with management to understand and evaluate management's basis for determining the assumptions, and compared them to external industry outlook reports and economic growth forecasts from a number of sources. We also obtained from management valuation report from external valuation expert. We obtained and tested management's sensitivity analysis around the key assumptions, to ascertain that selected adverse changes to key assumptions, both individually and in aggregate, would not cause the carrying amount of goodwill to exceed the recoverable amount. We evaluated management's assessment on whether any events or change in circumstances indicate there may be a change in the expected useful lives of goodwill. We found the group's estimates and judgments used in the impairment assessment and review of useful lives of goodwill are supported by the available evidence.

Emphasis of Matter

We draw attention to Note No 44 of the consolidated Ind AS financial statements, which relates to differences in balances of the subsidiary 3i Infotech Saudi Arabia LLC amounting to INR 4.22 crores due in transactions not being considered for consolidation purpose, which the management is in the process of reconciliation.

Other information

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility report, Corporate Governance and Shareholders' information, but does not include the consolidated Ind AS financial statements, standalone financial statements and our auditor's report thereon. Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Consolidated Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company and its subsidiaries incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for out audit opinion.

Materiality is the magnitude of misstatements in the consolidated Ind AS financial statements that individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated Ind AS financial statements.

We communicate with those charged with governance of the Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The consolidated Ind AS financial statement includes the financial statements and other information of 3 subsidiaries whose financial information includes total assets of Rs. 27.98 Crores as at March 31, 2021 total revenues of Rs. 43.72 Crores and net profit of Rs. 5.07 Crores for year ended on March 31, 2021 respectively, which have been audited by us.

We did not audit the financial statements and other information, in respect of 6 subsidiaries, whose financial information reflects total assets of Rs. 585.11 Crores as at March 31, 2021 and total revenues of Rs.413.94 Crores and net loss of Rs.227.44 crores for the year ended on March 31, 2021 respectively as considered in the consolidated Ind AS financial statements. These financial statements and other financial information have been audited by other auditors, whose reports have been furnished to us by the management. Our opinion, in so far as it relates to the affairs of such subsidiaries is based solely on the report of other auditors.

We did not audit financial statements and other information of 14 subsidiaries and 1 Joint venture, whose financial information reflects total assets of Rs. 73.31 Crores as at March 31, 2021, total revenues of Rs. 13.91 Crores and net loss of Rs. 15.05 crores for the year ended March 31, 2021 respectively as considered in the consolidated Ind AS financial statements. These financial statements and other information are unaudited and have been certified and furnished to us by the Management. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other information are not material to the Group.

Our opinion is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

    c) The Holding company has a branch office, although no separate books of accounts are prepared by the Branch and hence section 143(8) does not apply to the company.

    d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

    e) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

    f) In our opinion there are no financial transactions or matters which have any adverse effect on the functioning of the Group.

    g) On the basis of the written representations received from the directors of the Holding company as on March 31, 2021 taken on record by the Board of Directors of the company and and the reports of the statutory auditors of its subsidiaries incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

    h) There is no adverse remark relating to the maintenance of accounts and other matters connected therewith.

    i) With respect to adequacy of internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in **"Annexure A"** which is based on the auditor's report of the Company and its subsidiaries incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those companies.

    j) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

(i) The consolidated Ind AS financial statements disclose the impact of pending litigations on its Consolidated financial position as referred to Note 32 to the Consolidated Ind AS financial statement.

(ii) Provisions has been made in the consolidated Ind AS financial statement, as required under the applicable law or accounting standard, for material foreseeable laws if any, on long term contracts including derivative contracts.There has been no delay in transferring amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For **GMJ & Co**
Chartered Accountants
(FRN.: 103429W)

(CA S. Maheshwari)
Partner
Membership No.: 038755

UDIN: 21038755AAAACI8231
Place : Mumbai
Date : May 17,2021

Re: 3I INFOTECH LIMITED

Annexure – 'A' to the Independent Auditors' Report

(Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act"))

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of "**3i Infotech Limited**" ("the Company") and its subsidiaries companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective board of directors of the Company and its subsidiaries companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('the ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiaries companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiaries companies, which are companies incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2)provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Consolidated Ind As financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiaries companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31,2021, based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **GMJ & Co**
Chartered Accountants
(FRN: 103429W)
(CA S. Maheshwari)

Partner
Membership No.: 038755
UDIN: 21038755AAAACI8231

Place : Mumbai
Date : May 17,2021

CONSOLIDATED BALANCE SHEET AS AT MAR 31, 2021			(Amount in INR Crores)
Particulars	**Notes**	**31-Mar-21**	**31-Mar-20**
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	3	54.33	138.96
(b) Right-To-Use Asset	3	29.31	46.15
(c) Goodwill	4	304.06	435.06
(d) Other Intangible Assets	4	0.01	230.58
(e) Financial Assets			
(i) Investments	5	0.16	0.16
(ii) Other Financial Assets	5	12.10	11.48
(f) Deferred Tax Asset (Net)	12	1.59	3.87
(g) Income Tax Asset		95.42	131.68
(h) Other Non-Current Assets	11	10.16	11.88
Total Non-Current Assets		**507.14**	**1,009.82**
Current Assets			
(a) Inventories	6	-	-
(b) Financial Assets			
(i) Trade Receivables	7	88.26	191.72
(ii) Cash and Cash Equivalents	9	675.67	89.53
(iii) Bank Balances Other than (ii) above	10	14.92	1.47
(iv) Loans	5	-	-
(v) Other Financial Assets	5	71.55	207.54
(c) Contract Assets			
(d) Other Current Assets	11	37.39	28.58
Total Current Assets		**887.79**	**518.84**
Non-Current Assets classified as held for sale		**90.78**	-
TOTAL ASSETS		**1,485.71**	**1,528.66**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share capital	13	1,616.65	1,616.65
(b) Other Equity	14	(863.76)	(1,225.18)
Equity attributable to equity holders of the parent		**752.89**	**391.47**
Non Controlling Interest		-	-
Total Equity		**752.89**	**391.47**
LIABILITIES			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	516.15	765.91
(ii) Lease Liabilities	21	25.20	43.01
(b) Other Non Current Liabilities		-	-
(c) Provisions		16.03	19.62
Total Non-Current Liabilities		**557.38**	**828.54**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	-	-
(ii) Lease Liabilities	21	8.48	6.50
(iii) Trade Payables	18		
Total outstanding dues of Micro enterprises and Small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		55.45	51.19
(iv) Other Financial Liabilities	17	54.90	138.07
(b) Contract Liabilities			
(c) Other Current Liabilities	19	25.20	96.92
(d) Provisions	20	1.85	2.45
(e) Current Tax Liabilities (Net)		13.52	13.52
TOTAL EQUITY AND LIABILITIES		**159.40**	**308.65**
Liabilities directly associated with non-current assets classified as held for sale		**16.04**	-
TOTAL EQUITY AND LIABILITIES		**1,485.71**	**1,528.66**

As per our report of even date attached
For GMJ & CO
Chartered Accountants
F.R.No. 103429W

S. Maheshwari
Partner
M.No.: 038755
UDIN: 21038755AAAACI8231

Navi Mumbai
Date: May 17, 2021

For and on behalf of the board

Thompson Gnanam
Managing Director and Global CEO
(DIN: 07865431)

Zohra Chatterji
Director
(DIN: 01382511)

Mrinal Ghosh
Chief Financial Officer

Rajeev Limaye
Company Secretary
(M. No. A17168)

Navi Mumbai
Date: May 17, 2021

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MAR 31, 2021

(Amount in INR Crores)

Particulars	Notes	FY 2020 -21	FY 2019-20
REVENUE			
Revenue from operations (net)	22	608.62	698.22
Other income	23	23.59	19.54
Total Revenue (I)		**632.21**	**717.76**
EXPENSES			
Employee benefits expense	25	496.39	465.86
Cost of third party products and services	24	57.06	133.10
Finance costs	26	84.73	90.41
Depreciation and amortization expense	27	15.42	14.16
Other expenses	28	88.16	61.68
Total Expenses (II)		**741.76**	**765.21**
Exceptional Items			
Gain or Loss on Loan Settlement (IND AS)		(7.86)	-
Goodwill written off		(131.00)	-
Gain or Loss on Sale of Business		355.53	-
Gain or Loss on Sale of IPR		132.33	-
Gain or Loss on Loan Settlement		41.38	-
Total Exceptional Items		**390.38**	**-**
Profit/(loss) before tax (I-II)		**280.83**	**(47.45)**
Tax expense:			
Current tax		20.00	13.70
Adjustment of tax relating to earlier periods		0.25	(0.04)
Deferred tax		**2.81**	**(0.23)**
Profit/(loss) for the year		257.77	(60.88)
Profit/(loss) for the year from Discontinued Operations		133.39	128.90
OTHER COMPREHENSIVE INCOME			
A. Other Comprehensive Income not to be reclassified to profit and loss in subsequent periods:			
Remeasurement of gains (losses) on defined benefit plans		(4.43)	3.05
Income tax effect		0.46	(0.07)
B. Other Comprehensive Income to be reclassified to profit and loss in subsequent periods:		-	-
Other Comprehensive income for the year, net of tax		**(3.97)**	**2.98**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		**387.19**	**71.00**
Profit for the year attributable to:			
Equity holders of the parent		391.16	(61.30)
Non-controlling interests		-	0.42
Other comprehensive income for the year attributable to:			
Equity holders of the parent		(3.97)	2.98
Non-controlling interests		-	-
Total comprehensive income for the year attributable to:			
Equity holders of the parent		387.19	70.58
Non-controlling interests		-	0.42
Earnings per share for profit attributable to equity shareholders			
Basic EPS		0.00	(0.00)
Diluted EPS		0.00	(0.00)

As per our report of even date attached
For GMJ & CO
Chartered Accountants
F.R.No. 103429W

S. Maheshwari
Partner
M.No.: 038755
UDIN: 21038755AAAACI8231

Navi Mumbai
Date: May 17, 2021

For and on behalf of the board

Thompson Gnanam
Managing Director and Global CEO
(DIN: 07865431)

Zohra Chatterji
Director
(DIN: 01382511)

Mrinal Ghosh
Chief Financial Officer

Rajeev Limaye
Company Secretary
(M. No. A17168)

Navi Mumbai
Date: May 17, 2021

CONSOLIDATED CASH FLOWS STATEMENT FOR THE YEAR ENDED MAR 31, 2021

(Amount in INR Crores)

Particulars	FY 2020-21	FY 2019-20
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit/(Loss) before income tax from:		
Continuing operations	280.84	81.47
Discontinued operations	133.39	-
Profit before income tax including discontinued operations	414.23	81.47
Adjustments for:		
IndAS 116 - PL impact	(2.89)	(14.66)
Gain or Loss on Sale of Business	(355.53)	-
Gain or Loss on Sale of IPR	(132.33)	-
Gain or Loss on Loan Settlement (IND AS)	7.86	-
Gain or Loss on Loan Settlement	(41.38)	-
Goodwill Written off	131.00	-
Depreciation and amortisation charge	15.42	19.08
Finance costs - PL	43.18	90.40
Employee share-based payment expense	1.91	3.31
Allowance for doubtful debts	0.08	12.20
Interest income classified as investing cash flows	(4.41)	(8.11)
Gain on disposal of property, plant and equipment	(2.92)	(0.13)
Net foreign exchange differences	(8.43)	(7.05)
Other income	(9.12)	(11.30)
Minority Interest Balance - BS	0.42	(4.40)
Remeasurment of Defined Benefit Obligation	(3.98)	-
Change in operating assets and liabilities:	-	-
(Increase)/Decrease in trade receivables	117.99	67.32
(Increase)/Decrease in inventories	-	0.60
Increase/(decrease) in trade payables	(18.85)	(29.69)
(Increase) in other financial assets	139.56	(50.27)
(Increase)/decrease in other non-current assets	2.50	8.41
(Increase)/decrease in other current assets	(96.79)	(2.43)
Increase/(decrease) in provisions	(4.16)	(3.03)
Increase in other current liabilities	(130.08)	35.69
Cash generated from operations	63.27	187.41
Less: Income taxes paid / (Refund) (Net)	15.76	(18.83)
Net cash inflow from operating activities	79.03	168.58
Other comprehensive income for the year attributable to:		
CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash Inflow/(Outflow) from discontinued operation	802.25	(7.01)
Payments for intangible assets / software development	-	(0.22)

Proceeds from property, plant and equipment	-	0.55
Repayment of loans by employees	-	0.09
Interest received	0.22	0.49
Dividend received	0.41	0.23
Net cash inflow/(outflow) from investing activities	802.88	(5.87)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment of Lease Liabilities	(13.95)	-
Proceeds from / (Repayment of) borrowings	(259.12)	(131.04)
Interest paid	6.05	(42.57)
Dividends paid	-	(0.64)
Dividend distribution tax paid	-	(0.13)
Other Equity	(28.75)	-
Net cash inflow/ (outflow) from financing activities	**(295.77)**	**(174.38)**
Net increase (decrease) in cash and cash equivalents	586.15	(11.67)
Cash and Cash Equivalents at the beginning of the financial year	89.52	101.19
Cash and Cash Equivalents at end of the year	**675.67**	**89.52**
Reconciliation of cash and cash equivalents as per the cash flow statement:		
Cash and cash equivalents as per above comprise of the following:		
Balances with banks:		
-On current accounts	55.80	25.63
-On deposit accounts	619.87	63.89
Cash on hand	-	-
Provision for balances in bank	-	-
Balances as per statement of cash flows	**675.67**	**89.52**

Notes :

1. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS 7 on "Statement of Cash Flows" notified by the Companies Act, 2013.
2. Previous year's figures have been regrouped / rearranged wherever necessary to conform to the current year's presentation.

Significant Accounting Policies and Notes forming part of the Consolidated Financial Statements

As per our report of even date attached
For GMJ & CO
Chartered Accountants
F.R.No. 103429W

For and on behalf of the board

S. Maheshwari
Partner
M.No.: 038755
UDIN: 21038755AAAACI8231

Thompson Gnanam
Managing Director and Global CEO
(DIN: 07865431)

Zohra Chatterji
Director
(DIN: 01382511)

Mrinal Ghosh
Chief Financial Officer

Rajeev Limaye
Company Secretary
(M. No. A17168)

Navi Mumbai
Date: May 17, 2021

Navi Mumbai
Date: May 17, 2021

A.Equity Share Capital

(Amount in INR Crores)

Particulars	Balance at the Beginning of the year	Changes in Equity share capital during the year	Balance at the end of the year
March 31, 2020			
Numbers	1,616,644,862	10,004	1,616,654,866
Amount	1,617	0	1,617
March 31, 2021			
Numbers	1,616,654,866	-	1,616,654,866
Amount	1,617	-	1,617

B .Other Equity

(Amount in INR Crores)

Particulars	Equity Component of Compound financial instruments	Reserves and Surplus			
		Securities Premium Reserve	Share Based Payment Reserve	Retained Earnings	Property, Plant and Equipment Reserve
As as April 1, 2019	**18.89**	**896.18**	**2.79**	**(2,350.79)**	**113.55**
Profit for the year	-	-	-	67.61	-
Other comprehensive income	-	-	-	2.98	-
Total comprehensive income for the year	-	-	-	70.59	-
FCCB conversions during the year	(0.01)	-	-	0.01	-
Dividend on Preference Shares	-	-	-	-	-
Share based payment expense	-	-	3.31	-	-
Amortisation of Revaluation Reserve	-	-	-	2.76	(2.76)
Removal of NCI	-	-	-	-	-
Transfer to Retained Earnings IndAS 116	-	-	-	(3.06)	-
Others- Adjustments	-	-	-	(2.60)	-
As at March 31, 2020	**18.88**	**896.18**	**6.10**	**(2,283.09)**	**110.79**
Profit for the year	-	-	-	391.16	-
Other comprehensive income	-	-	-	(3.97)	-
Total comprehensive income for the year	**-**	**-**	**-**	**387.19**	**-**
FCCB conversions during the year	-	-	-	-	-
Dividend on Preference Shares	-	-	-	-	-
Share based payment expense	-	-	2.98	-	-
Amortisation of Revaluation Reserve	-	-	-	67.58	(67.58)
Removal of NCI	-	-	-	-	-
Others- Adjustments	-	-	-	(2.79)	-
As at March 31, 2021	18.88	896.18	9.08	(1,831.11)	43.21

Particulars	Share Suspense account - Equity Shares	Shares held in abeyance	Total other equity attributable to parent	Non Controlling Interest	Total Other Equity
As as April 1, 2019	**25.95**	**-**	**(1,293.43)**	**4.40**	**(1,289.03)**
Profit for the year	-	-	67.61	0.42	68.03
Other comprehensive income	-	-	2.98	-	2.98
Total comprehensive income for the year	**-**	**-**	**70.59**	**0.42**	**71.01**
FCCB conversions during the year	-	-	0.01	-	0.01
Dividend on Preference Shares	-	-	-	-	-
Share based payment expense	-	-	3.31	-	3.31
Amortisation of Revaluation Reserve	-	-	-	-	-
Removal of NCI	-	-	-	(4.82)	(4.82)
Transfer to Retained Earnings IndAS 116	-	-	(3.06)	-	(3.06)
Others- Adjustments	-	-	(2.60)	-	(2.60)
As at March 31, 2020	**25.95**	**-**	**(1,225.19)**	**-**	**(1,225.19)**
Profit for the year	-	-	391.16	-	391.16
Other comprehensive income	-	-	(3.97)	-	(3.97)
Total comprehensive income for the year	**-**	**-**	**387.19**	**-**	**387.19**
FCCB conversions during the year	-	-	-	-	-
Dividend on Preference Shares	-	-	-	-	-
Share based payment expense	-	-	2.98	-	2.98
Amortisation of Revaluation Reserve	-	-	-	-	-
Removal of NCI	-	-	-	-	-
Others- Adjustments	(25.95)	-	(28.74)		(28.74)
As at March 31, 2021	**-**	**-**	**(863.76)**	**-**	**(863.76)**

* Foreign currency monetary item translation difference account (FCMITDA)
Significant Accounting Policies and Notes forming part of the Consolidated Financial Statements

As per our report of even date attached
For GMJ & CO
Chartered Accountants
F.R.No. 103429W

S. Maheshwari
Partner
M.No.: 038755
UDIN: 21038755AAAACI8231

For and on behalf of the board

Thompson Gnanam
Managing Director and Global CEO
(DIN: 07865431)

Zohra Chatterji
Director
(DIN: 01382511)

Mrinal Ghosh
Chief Financial Officer

Rajeev Limaye
Company Secretary
(M. No. A17168)

Navi Mumbai
Date: May 17, 2021

Navi Mumbai
Date: May 17, 2021

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

1 Corporate Information

These statements comprise Consolidated Financial Statements of 3i Infotech limited (the Company) and its subsidiaries (collectively referred as 'the Group') and a Joint Venture for the year ended March 31, 2021.

The Company is a Global Information Technology Company committed to Empowering Business Transformation. A comprehensive set of IP based software solutions, coupled with a wide range of IT services, uniquely positions the Company to address the dynamic requirements of a variety of industry verticals of Banking and Financial Services Industry (BFSI), predominantly Banking, Insurance, Capital Markets, Asset & Wealth Management. The Company also provides solutions for other verticals such as Government, Manufacturing, Retail, Distribution, Telecom and Healthcare.

The Company is a Public Limited Company incorporated and domiciled in India. Its shares are listed on Bombay Stock Exchange and National Stock Exchange in India. The address of its registered office is at International Infotech Park, Tower No.5, 3rd to 6th floors, Vashi, Navi Mumbai-400703.

The consolidated financial statements for the year ended March 31,2021 were approved by the Board of Directors and authorised for issue on May 17, 2021.

2 Significant Accounting Policies

a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

b) Basis of preparation

These consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

c) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

(ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

(iii) Joint arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has both joint operations and joint ventures.

Joint ventures

Interests in joint ventures are accounted for using the equity method (see (iv) below), after initially being recognised at cost in the consolidated balance sheet.

(iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in below.

(v) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

d) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal Groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or Other Comprehensive Income (OCI), as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash- generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

e) Group companies translation

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income.

f) Use of estimates and judgments

The preparation of these consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Group to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the consolidated financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key sources of estimation of uncertainty at the date of the consolidated financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities.

(i) Impairment of investments

The Group reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(ii) Useful lives of property, plant and equipment

The Group reviews the useful life of propery,plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(iii) Valuation of deferred tax assets

The Group reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note (l).

(iv) Provisions and Contingent liabilities

A provision is recognised when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance sheet date. These are reviewed at each Balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the consolidated financial statements. A contingent asset is neither recognised nor disclosed in the consolidated financial statements.

g) Revenue Recognition

The Group earns primarily from providing services of IT solutions and Transaction services.

(i) Revenue from IT solutions

The Group earns revenue from IT solutions comprises of revenue from the sale of software products, providing IT services and sale of hardware and third party software.

- Revenue from Software Products is recognized on delivery/installation, as per the predetermined/ laid down policy across all geographies or a lower amount as considered appropriate in terms of the contract. Maintenance revenue in respect of products is deferred and recognized ratably over the period of the underlying maintenance agreement.
- Revenue from IT Services is recognized either on time and material basis or fixed price basis or based on certain measurable criteria as per relevant contracts. Revenue on Time and Material Contracts is recognized as and when services are performed. Revenue on Fixed-Price Contracts is recognized on the percentage of completion method. Provisions for estimated losses, if any, on such uncompleted contracts are recorded in the period in which such losses become probable based on the current estimates.
- Revenue from Supply of Hardware/Other Material and Sale of Third Party Software License/ Term License/Other Materials incidental to the aforesaid services is recognized based on delivery/installation, as the case may be. Recovery of incidental expenses is added to respective revenue.

Unbilled and Unearned revenue:

- Revenue recognized over and above the billings on a customer is classified as “unbilled revenue’ and advance billing to customer is classified as “advance from customer/unearned revenue” and included in other liabilities.

(ii) Revenue from Transaction Services:

- Revenue from transaction services and other service contracts is recognized based on transactions processed or manpower deployed.

(iii) Revenue from Sharing of Infrastructure Facilities:

- Revenue from sharing of infrastructure facilities is recognised based on usage of facilities.

h) Interest / Dividend Income

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

i) Leases

(i) Finance lease

Assets taken on lease by the Group in its capacity as a lessee, where the Group has substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalised at the inception of the lease at the lower of the fair value or the present value of the minimum lease payments and a liability is recognised for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

(ii) Operating lease

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating lease. Operating lease payments are recognised on a straight line basis over the lease term in the statement of profit and loss, unless the lease agreement explicitly states that increase is on account of inflation.

j) Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their nature.

The costs of the Group are broadly categorised in employee benefit expenses, cost of third party products and services, finance costs ,depreciation and amortisation and other expenses. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Cost of third party products and services mainly include purchase of software licenses and products ,fees to external consultants ,cost of running its facilities, cost of equipment and other operating expenses. Finance cost includes interest and other borrowing cost. Other expenses is an aggregation of costs which are individually not material such as commission and brokerage, printing and stationery ,communication, repairs and maintenance etc.

k) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is entity's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of profit or loss.

Non monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

l) Income taxes

Current income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Advance taxes and provisions for current income taxes are presented in the Balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is recognised using the Balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future economic tax liability. Accordingly, MAT is recognised as deferred tax asset in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

The Group recognises interest levied and penalties related to income tax assessments in finance costs.

m) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Cash and cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(ii) Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost

  A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

  a) **The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and**

  b) **Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.**

     After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

- Debt instrument at fair value through other comprehensive income (FVTOCI)

  A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

  (a) **The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and**

  (b) **The asset's contractual cash flows represent SPPI.**

     Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

- Debt instrument at fair value through profit and loss (FVTPL)

  FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

  In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). the Group has not designated any debt instrument as at FVTPL.

  Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

  Equity investments

  All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value, the Group makes such election on an instrument by- instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows.

(iii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- **Financial Liabilities at fair value through profit or loss**

  Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

  Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

  Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to statement of profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

- **Loans and borrowings**

  After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

  Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

- **Financial guarantee contracts**

  Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(iv) Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

(v) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

n) Compound financial instruments

Compound Financial instruments are separated into liability and equity components based on the terms of the contract.

On issuance of the compound financial instruments, the fair value of the liability component is determined using a market rate for an equivalent non- convertible instrument. This amount is classified as an financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are dedcuted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction Costs are apportioned between the liability and equity components of the compound financial instruments based on the allocation of proceeds to the liability and equity components when the instruments are initially recognized.

o) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives adopted by Group

Category of Assets	Useful lives adopted by Company	Useful Lives prescribed under Schedule II of the Act
Computers	1-6 years	3-6 years
Plant and Machinery, Electrical Installation	5 years	15 years
Office Equipment	1-5 years	5 years
Furniture and Fixtures	3-10 years	10 years
Vehicles	3-8 years	10 years

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit or loss within other gains/(losses).

p) Intangible assets

(i) Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or Groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

(ii) Software Products- Meant for sale

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and are tested for impairment from the point at which the asset is available for use.

(iii) Software Products- Others

Purchased software meant for in house consumption and significant upgrades thereof which have a probable economic benefit exceeding one year are capitalised at the acquisition price.

(iv) Patents, copyrights , Business commercial rights and other rights

Separately acquired patents and copyrights are shown at historical cost. Patents, copyrights and non-compete acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

(v) Research and development

Research expenditure and development expenditure that do not meet the criteria specified above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Amortisation methods and periods

The Group amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Category of Assets	**Useful lives adopted by Company**
Business Commercial rights	10 years
Software others	5 years or as per license period

Intangible Assets with indefinite useful lives

Based on the analysis of product life cycle studies, market and competitive trends, it is assessed that 'Software Products - meant for sale' would generate net cash flows for an indefinite period.

q) Impairment

(i) Financial assets (other than at fair value)

The Group assesses at each date of Balance sheet whether a financial asset or a Group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk or the financial asset has increased significantly since initial recognition.

(ii) **Non-financial assets**

Tangible and intangible assets

Property, plant and equipment and intangible assets within finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

r) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

(a) defined benefit plans such as gratuity; and

(b) defined contribution plans such as provident fund.

(c) superannuation contribution plans .

- **Gratuity obligations**

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

- **Defined contribution plans**

  The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

- **Superannuation contribution plan**

  Certain employees of the Company are also participants in a defined superannuation contribution plan. The Company contributes to the scheme with Life Insurance Corporation of India on a monthly basis. The Company has no further obligations to the scheme beyond its monthly contributions.

(iv) Employee Benefits in Foreign Subsidiaries and Foreign Branch

In respect of employees in foreign subsidiaries and foreign branch, necessary provisions are made based on the applicable local laws. Gratuity and leave encashment/entitlement as applicable for employees in foreign branch are provided on the basis of acturial valuation and based on estimates.

(v) Share-based payments

Share-based compensation benefits are provided to employees via the Employee Option Plan.

Employee options

The fair value of options granted under the Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions
- excluding the impact of any service and non-market performance vesting conditions, and
- including the impact of any non-vesting conditions.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

s) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

t) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred and are recognised in the statement of profit and loss.

u) **Provisions**

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

v) **Contributed equity**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

w) **Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

x) **Earnings per share**

(i) **Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) **Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

y) **Current/non current classification**

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading

- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period the Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

z) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing the inventory to its present location and condition are included in the cost of inventories.

Hardware and Supplies

Carried at lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

aa) Rounding of amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest crore as per the requirement of Schedule III, unless otherwise stated.

3. PROPERTY, PLANT AND EQUIPMENT											
Particulars	Land	Buildings	Plant and Equip-ments	Furni-ture and Fixtures	Vehicles	Office Equip-ments	Comput-er Hard-wares	Lease-hold Improve-ments	Assets under Finance Lease	Total	Right-To-Use Assets
GROSS CARRYING VALUE											
As at April 1, 2019	0.70	140.47	0.82	3.30	0.32	5.41	14.17	4.90	96.57	266.66	46.61
Additions	-	-	0.40	0.93	0.43	1.04	4.21	-	-	7.01	14.14
Disposals	-	-	-	(1.15)	(0.06)	(0.87)	0.83	(1.54)	-	(2.79)	(4.48)
As at March 31, 2020	0.70	140.47	1.22	3.08	0.69	5.58	19.21	3.36	96.57	270.88	56.27
Additions			0.31	0.07		0.20	1.27			1.85	
Disposals	(0.70)	(87.81)	(0.79)	(1.58)	(0.65)	(3.54)	(7.58)	(3.14)		(105.79)	(10.63)
As at March 31, 2021	-	52.66	0.75	1.57	0.04	2.23	12.90	0.22	96.57	166.94	45.64
ACCUMULATED DEPRECIA-TION / IMPAIRMENT											
As at April 1, 2019	0.34	12.44	0.53	2.41	0.27	3.56	6.99	2.60	96.57	125.71	
Depreciation for the year	0.01	3.11	0.21	0.37	0.05	0.83	2.78	0.68	-	8.04	10.12
Deductions\Adjustments during the period	(0.00)	(0.01)	0.01	(1.08)	(0.04)	(0.81)	1.70	(1.60)	-	(1.83)	
As at March 31, 2020	0.35	15.54	0.75	1.70	0.28	3.59	11.46	1.68	96.57	131.92	10.12
Depreciation for the year	0.01	3.11	0.19	0.39	0.10	0.69	2.93	0.46		7.88	6.21
Deductions\Adjustments during the period	(0.36)	(14.72)	(0.53)	(0.81)	(0.34)	(2.96)	(4.75)	(2.72)		(27.19)	
As at March 31, 2021	-	3.93	0.41	1.28	0.04	1.32	9.64	(0.58)	96.57	112.61	16.33
Net Carrying value as at March 31, 2021	-	48.73	0.34	0.29	-	0.91	3.26	0.80	-	54.33	29.31
Net Carrying value as at March 31, 2020	0.35	124.93	0.47	1.38	0.41	1.98	7.75	1.68	-	138.96	46.15

i. Leased Assets

Property, Plant and Equipment includes the following amounts where the Group is a lessee under finance lease :

Particulars	March 31, 2021	March 31, 2020
Land		
Cost	(0.00)	0.40
Accumulated Depreciation	-	(0.05)
Net carrying amount	(0.00)	0.35
Building		
Cost	52.66	140.47
Accumulated Depreciation	(3.93)	(15.55)
Net carrying amount	**48.73**	**124.92**

Refer to Note 32 for lease term and options available for lessee and lessor and options.

ii. Property, Plant and Equipment pledged as security against borrowings by the Group

Refer to Note 40 for information on property, plant and equipment pledged as security by the Group.

iii. Contractual Obligations

Refer to Note 32 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

4. INTANGIBLE ASSETS (Amount in INR Crores)

Particulars	Goodwill	Software Products - Meant for sale	Software Products - Others	Total
GROSS CARRYING VALUE				
As at April 1, 2019	**676.87**	**1,186.76**	**4.57**	**1,868.20**
Additions	-	-	0.22	**0.22**
Deletions	-	0.05	(0.12)	**(0.07)**
Other Adjustments	-	-	-	-
As at March 31, 2020	**676.87**	**1,186.81**	**4.67**	**1,868.35**
Additions	-	-	-	-
Deletions	-	(1,180.33)	56.21	**(1,124.12)**
Other Adjustments	-	-	-	-
As at March 31, 2021	**676.87**	**6.48**	**60.88**	**744.23**
ACCUMULATED AMORTISATION AND IMPAIRMENT				
As at April 1, 2019	**241.81**	**957.56**	**3.45**	**1,202.82**
Amortisation for the year	-	(0.24)	0.73	0.49
Deductions\Adjustments during the period	-	0.05	(0.65)	(0.60)
As at March 31, 2020	**241.81**	**957.37**	**3.53**	**1,202.71**
Amortisation for the year			0.23	0.23
Deductions\Adjustments during the period	131.00	(950.89)	57.11	(762.78)
As at March 31, 2021	**372.81**	**6.48**	**60.87**	**440.16**
Net Carrying value as at March 31, 2021	**304.06**	**-**	**0.01**	**304.07**
Net Carrying value as at March 31, 2020	**435.06**	**229.44**	**1.14**	**665.64**

i. Significant Estimate : Useful life of Intangible Assets

Refer to sub note (p) of Note 2 'Significant Accounting policies'

ii. Intangible Assets with indefinite useful lives

The Group provides IT based software solutions to variety of industry verticals which includes softwares meant for Banking industry, Insurance industry, Enterprise Resource Panning (ERP) softwares and softwares meant for financial service industry. These softwares have been capitalised as 'Software Products - meant for sale' category under intangible assets. The Group based on the analysis of product life cycle studies, market and competitive trends assesses that the 'Software Products - meant for sale' products will generate net cash flows for an indefinite period.

iii. Impairment testing of goodwill and intangible assets with idefinite lives

(a) Software Products - meant for sale

Software Products - meant for sale with indefinite lives have been allocated to the CGUs below forming part of IT Solution segment which is Group's operating and reportable segment, for impairment testing :

- Banking
- Insurance
- ERP
- Financial Services

Carrying amount of intangible assets with indefinite lives allocated to each of the CGUs:

Intangible Assets	March 31, 2021	March 31, 2020
Software meant for sale		
- Banking	-	110.76
- Insurance	-	56.63
- ERP	-	47.64
- Financial Services	-	14.41
	-	**229.44**

(b) Goodwill

Goodwill acquired through business combinations has been allocated to the below mentioned product / services which are considered as CGUs for impairment testing :

- Banking
- Financial Services
- BPO Services
- US Geography Services

Carrying amount of goodwill allocated to each of the CGUs:

(Amount in INR)

Particulars	March 31, 2021	March 31, 2020
Allocation to CGUs		
Products		
- Banking	13.69	13.69
- Financial Services	17.40	67.40
Services		
- BPO Services	53.00	53.00
- US Geography Services	219.97	300.97
	304.06	**435.06**

The Group tests whether goodwill has impaired periodically. The recoverable amount of a cash generating unit (CGU) is determined based on value in use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period.

The recoverable amount of CGUs based on value in use as at December 31, 2020 INR 1115.68 Crores (December 31, 2019 INR 1717.55 Crores). The recoverable amounts represent the aggregate fair value of the business of the products / services over the period of budgeted five years.

However, having regard to the complexities involved and uncertainties envisaged with respect to the businesses of subsidiaries, the management; as a prudent measure has been writing down the goodwill amounts and has reflected these at carrying values, which have been lower than the aggregate recoverable amounts derived from respective Value in Use of these products / services.

5. INVESTMENTS & OTHER FINANCIAL ASSETS: (Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
(A) INVESTMENTS		
Non Current		
Investments carried at fair value through Profit and Loss		
Unquoted		
Investments in Equity Instruments		
200,000 Equity Shares of Sri Lankan Rupee 10 each fully paid up of First Capital Asset Management Co.Ltd.(as at March 31, 2018 - 200,000 shares)	0.10	0.10
55,000 equity shares of ` 10 each fully paid up of Vashi Railway Station Commercial Complex Limited. (as at March 31, 2018 - 55,000 shares)	0.06	0.06
37,500 Equity Shares of Egyptian Pounds 100 each fully paid up of Nile Information Technology . (as at March 31, 2018 - 37,500 shares)	2.91	2.91
Less: Impairment Allowance	(2.91)	(2.91)
8% holding in Four Seasons Software LLC, a 'S' corporation, Connecticut, USA.	2.10	2.10
Less: Impairment Allowance	(2.10)	(2.10)
Total	**0.16**	**0.16**
Aggregate amount of quoted investments		
Market value of quoted investments		
Aggregate amount of unquoted investments	5.17	5.17
Aggregate amount of impairment in the value of investments	(5.01)	(5.01)
Investments carried at amortised cost	-	-
Investments carried at fair value through other comprehensive income	-	-
Investments carried at fair value through profit and loss	0.16	0.16

Investments carried at cost	-	-
Particulars		
(B) LOANS		
Current		
Unsecured, considered good unless otherwise stated		
Loans to Employees	-	-
Total	**-**	**-**
(C) OTHER FINANCIAL ASSETS		
Non Current		
Financial assets carried at amortised cost		
Security Deposits	12.58	11.96
Less: Loss Allowances	(0.48)	(0.48)
Total	**12.10**	**11.48**
(C) OTHER FINANCIAL ASSETS		
Current		
Financial assets carried at amortised cost		
Security Deposits	1.70	2.89
Unbilled Revenue	71.03	238.47
Interest Accrued but not due	2.44	2.71
Less: Loss Allowances on Doubtful deposits	(0.81)	(0.81)
Less: Loss Allowances on Doubtful unbilled revenue	(2.81)	(35.72)
Total	**71.55**	**207.54**

6. INVENTORIES (Amount in INR)

Particulars	March 31, 2021	March 31, 2020
(Valued at lower of Cost and Net Realisable value)		
Hardware and Supplies	-	-
Total	**-**	**-**

7. TRADE RECEIVABLES (Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Current		
Trade Receivables from customers	88.26	191.72
Receivables from other related parties	-	-
	88.26	**191.72**
Breakup of Security details		
Secured, considered good	-	-
Unsecured, considered good	88.26	191.72
Which have significant increase in credit risk	-	-
Doubtful	10.12	28.95

	98.38	**220.67**
Impairment Allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	-	-
Doubtful	10.12	28.95
	10.12	**28.95**
Total	**88.26**	**191.72**

Trade or Other Receivable due from directors or other officers of the company either severally or jointly with any other person amounted to INR NIL (Previous year INR NIL)

Trade or Other Receivable due from firms or private companies respectively in which any director is a partner, a director or a member amounted to INR NIL (Previous year INR NIL)

9. CASH AND CASH EQUIVALENTS (Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Balances with banks:		
- On current accounts	55.80	25.64
- On deposit accounts	619.87	63.89
Cash on hand	-	-
Provision for Balances with banks	-	
Total	**675.67**	**89.53**

10. OTHER BANK BALANCES (Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Balances with banks to the extent held as margin money	-	-
Deposits with banks to the extent held as margin money	14.92	1.47
Other Balances with banks		
- in Dividend accounts	-	-
- in Escrow accounts	-	-
Total	**14.92**	**1.47**

11. OTHER ASSETS (Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Non Current		
Capital Advances	-	0.78
Others		
- Prepaid expenses	1.67	0.51
- Balances with Statutory, Government Authorities	8.49	10.59
Total	**10.16**	**11.88**
Current		
Advances other than Capital advances		
- Advances to creditors	22.03	12.85
- Other Advances	1.08	3.33

Others		
- Prepaid expenses	6.42	8.80
- Balances with Statutory, Government Authorities	2.39	2.42
- Other current assets	80.21	1.18
Total	**112.13**	**28.58**

Income Tax Asset (Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
- Payment of Taxes (Net of Provisions)	95.42	131.50
- MAT Credit entitlement	-	0.18
Total	**95.42**	**131.68**

12. INCOME TAX

Deferred Tax (Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Deferred tax relates to the following:		
Depreciation for tax purposes	(13.14)	(107.75)
Gratuity	3.85	5.57
Expenses allowable on payment basis	1.55	3.68
Leave Encashment	0.47	0.43
Loss Allowance on Financial Assets	2.28	5.66
Losses available for offsetting against future taxable income	121.21	210.92
Other Ind AS adjustments	(114.63)	(114.63)
Net Deferred Tax Assets / (Liabilities)	**1.59**	**3.87**

Movement in deferred tax liabilities/assets (Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Opening balance as of April 1	3.87	3.66
Tax income/(expense) during the period recognised in profit or loss	(2.78)	0.23
Tax income/(expense) during the period recognised in OCI	0.46	(0.07)
Foreign exchange fluctuation loss	0.05	0.05
Closing balance as at March 31	**1.59**	**3.87**

(Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Unrecognised deferred tax assets		
Deductible temporary differences	322.92	324.77
Unrecognised tax losses	502.14	528.66

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Tax losses which arose in India of INR 330.67 crores (Previous year INR 499.78 crores) that are available for offsetting for eight years against future taxable profits of the company. Majority of these losses will expire in March 2021.

Considering the probability of availability of future taxable profits in the period in which tax losses expire, deferred tax assets have not been recognised in respect of tax lossses carried forward by the Company. Unrecognised Tax Assets are subject to compliance with the Tax Laws of respective countries.

Major Components of income tax expense for the years ended March 31, 2021 and March 31, 2020 are as follows:

i. Income tax recognised in profit or loss (Amount in INR Crores)

Particulars	2020-21	2019-20
Current income tax charge	20.00	13.70
Adjustment in respect of current income tax of previous year	0.24	(0.04)
Deferred tax		
Relating to origination and reversal of temporary differences	0.25	(0.23)
Income tax expense recognised in profit or loss	**23.06**	**13.43**

ii. Income tax recognised in OCI (Amount in INR Crores)

Particulars	2020-21	2019-20
Net loss/(gain) on remeasurements of defined benefit plans	0.46	(0.07)
Income tax expense recognised in OCI	**0.46**	**(0.07)**

Reconciliation of tax expense and accounting profit multiplied by income tax rate for March 31, 2020 and March 31, 2021 (Amount in INR Crores)

Particulars	2020-21	2019-20
Accounting profit before income tax	414.22	81.46
Enacted tax rate in India	34.61%	34.61%
Income tax on accounting profits	**142.91**	**28.19**
Effect of		
Loss credit forward to next year	-	-
Loss for the year	-	-
Utilisation of previously unrecognised tax lossses	(205.79)	(43.94)
Depreciation	3.74	1.56
Accounting Income not assessable for tax purpose	72.16	(20.37)
Adjustment for current tax of prior period	0.14	-
Translation Effect	(0.16)	3.53
Other non taxable income		-
Withholding Tax on Remittances to Holding Company	0.03	9.29
Loss not allow to carried forward due to Tax Heaven for Foreign Company		1.96
Tax on Comprehensive Income	15.62	-
Other Adjustments	50.25	1.35
Tax as per IndAS	0.49	-

Non-deductible expenses for tax purposes:		
Accounting expenses not deductible for tax purpose	17.88	21.69
Other non deductible expenses	-	0.25
Share based payment expenses not deductible for tax purposes	-	-
Allowable expenses for tax purposes:		
Expenditure allowable on payment basis	(1.36)	-
Tax impact on Intercompany transaction	-	-
Adjustment in respect of current income tax of previous year	0.84	-
Effect of differential tax rate	(73.69)	9.92
Tax at effective income tax rate	**23.06**	**13.43**

13. SHARE CAPITAL:

i. Authorised Share Capital (Amount in INR Crores)

Particulars	Equity Share (INR 10 Each)		Non Convertible Cumulative Reedemable Preference Share (Class A) (INR 5 Each)	
	Number	Amount	Number	Amount
At April 1, 2019	**2,200,000,000**	**2200.00**	**200,000,000**	**100.00**
Increase/(decrease) during the year	-	-	-	
At April 1, 2020	**2,200,000,000**	**2200.00**	**200,000,000**	**100.00**
Increase/(decrease) during the year	-	-	-	-
At March 31, 2021	**2,200,000,000**	**2200.00**	**200,000,000**	**100.00**

Particulars	Non Convertible Cumulative Reedemable Preference Share (Class B) (INR 5 Each)		Non Convertible Cumulative Reedemable Preference Share (Class C) (INR 1 Each)	
	Number	Amount	Number	Amount
At April 1, 2019	**1,500,000,000**	**750.00**	**1,050,000,000**	**105 .00**
Increase/(decrease) during the year	-	-	-	-
At April 1, 2020	**1,500,000,000**	**750.00**	**1,050,000,000**	**105 .00**
Increase/(decrease) during the year	-	-	-	-
At March 31, 2021	**1,500,000,000**	**750.00**	**1,050,000,000**	**105 .00**

Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 each. Each shareholder has right to vote in respect of such share, on every resolution placed before the Company and his voting right on a poll shall be in proportion to his share of the paid up equity capital of the Company. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after payments of preferential amounts in proportion to their shareholding.

Terms/rights attached to preference shares

The terms of Class A Preference Shares having face value of INR 5 each, had been amended in financial year 2015-2016 and these were made redeemable on March 15, 2026. Redemption Premium shall be an amount that would provide the holder of the said shares an internal rate of return (IRR) of 6% per annum excluding the Dividend Rate on the outstanding amount of the said shares, to be paid at the time of redemption of the said shares.

Contingent liability in respect of arrears of dividend on these preference shares as at March 31, 2021 would be

INR Nil crores (INR Nil crores as at March 31, 2020).

Class B Preference Shares of face value of INR 5 each are redeemable on March 15, 2026 and would carry a dividend of 0.10 % per annum.

Class C Preference Shares of face value of INR 1 each with a premium of Rs. 4 each and would carry a dividend of 0.10 % per annum.

ii. Issued Capital

Equity Shares

(Amount in INR Crores)

Particulars	**Number**	**Amount**
Equity shares of INR 10 each issued, subscribed and fully paid		
At April 1, 2019	**1,615,358,178**	**1616.64**
Issued during the period		
Shares issued towards conversion of FCCB	10,004	0.01
Shares issued under CDR/DRS	-	-
At March 31, 2020	**1,615,368,182**	**1616.65**
Issued during the period		
Shares issued towards conversion of FCCB	-	-
Shares issued under CDR/DRS	-	-
At March 31, 2021	**1,615,368,182**	**1616.65**

(Amount in INR Crores)

Particulars	**Non Convertible Cumulative Reedemable Preference Share (Class A) of INR 5 each issued and fully paid**		**Non Convertible Cumulative Reedemable Preference Share (Class B) of INR 5 each issued and fully paid**	
	Number	**Amount**	**Number**	**Amount**
At April 1, 2019	**130,000,000**	**-**	**1,275,521,596**	**-**
Issued during the year	-	-	-	-
At March 31, 2020	**130,000,000**	**-**	**1,275,521,596**	**-**
Issued during the year	-	-	-	-
At March 31, 2021	**130,000,000**	**-**	**1,275,521,596**	**-**

This note covers the number of preference shares issued by the Company. Since the preference shares are non convertible redeemable shares, it is reflected in financial liabilities.

iii. Paid up Capital

(Amount in INR Crores)

Particulars	**Number**	**Amount**
Equity shares of INR 10 each		
At April 1, 2019	**1,616,644,862**	**1616.64**
Issued Capital during the year	10,004	0.01
Less : Shares held in abeyance	-	-
At March 31, 2020	**1,616,654,866**	**1616.65**

At April 1, 2020	**1,616,654,866**	**1616.65**
Issued Capital during the year	-	-
Less : Shares held in abeyance		
At March 31, 2021	**1,616,654,866**	**1616.65**

iv. Shares held by holding/ ultimate holding company and / or their subsidiaries / associates
The Company does not have a holding company or ultimate holding company.

v. Details of shareholders holding more than 5% shares in the company (Amount in INR Crores)

Name of the shareholder	As at March 31, 2021		As at March 31, 2020	
	Number	% holding	Number	% holding
Equity shares of INR 10/- each fully paid				
SREI Multiple Asset Investement Trust (SMAIT)	259,627,895	16.06	263,909,361	16.32
Standard Chartered Bank	-	-	116,131,094	7.18
IDBI Bank Limited	123,087,521	7.61	123,087,521	7.61
Non Convertible Cumulative Reedemable Preference Share (Class A) of INR 5 each issued and fully paid				
IDBI Trusteeship Services Limited (ICICI Strategic Investments Fund)	130,000,000	100.00	130,000,000	100.00
Non Convertible Cumulative Reedemable Preference Share (Class B) of INR 5 each issued and fully paid				
SREI Multiple Asset Investement Trust (SMAIT)	444,982,211	34.89	444,982,211	34.89
Standard Chartered Bank	189,505,860	14.86	189,505,860	14.86
IDBI Bank Limited	180,743,103	14.17	180,743,103	14.17

vi. Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date are Nil.

vii. Shares reserved for issue under options
For details of shares reserved for issue under the Share based payment plan of the company, please refer note 31
For details of shares reserved for issue on conversion of Foreign Currency Convertible Bonds , please refer note 15 related to terms of conversion/ redemption of Foreign Currency Convertible Bonds.

viii. Shares issued under DRS

Appendix D 'Extinguishing Financial Liabilities with Equity Instruments' of IndAS 109 on Financial Instruments requires an entity to measure equity shares issued on extinguishment of liabilities at fair value on the date of extinguishment. Accordingly, fair value of equity shares issued under DRS Scheme is the consideration paid against settlement of liabilities and the difference between the fair value of consideration and liability settled is to be charged to statement of profit or loss.

On the date of extinguishment of liability, which is the date of implementation of DRS scheme, the fair value of equity shares is below face value. Therefore as per IndAS 109, the difference between the liability settled and fair value of equity shares is required to be charged to statement of profit or loss.

However, as per Section 53 of the Companies Act, 2013, a Company shall not issue shares at a discount. Therefore, for the purpose of compliance of Companies Act, 2013, the Company has considered face value of shares issued as consideration paid towards extinguishment of liabilities and no impact is given in the statement of profit or loss.

14. OTHER EQUITY:

i. Reserves and Surplus: (Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Securities Premium Reserve	896.18	896.18
Share Based Payment Reserve	9.08	6.10
Retained Earnings	(1,831.11)	(2,283.08)
Property, Plant Equipment Reserve	43.21	110.79
Total	**(882.64)**	**(1,270.01)**

(a) Securities Premium Reserve (Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Opening balance	896.18	896.18
Add/(Less):		
Allotment of equity shares under FCCB conversion		-
Allotment of equity shares under Debt Restructuring Scheme		-
Closing balance	**896.18**	**896.18**

(b) Share Based Payment Reserve (Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Opening balance	6.10	2.78
Add/(Less):		
Employee Stock Option Expense recognised	2.98	3.32
Closing balance	**9.08**	**6.10**

(c) Retained Earnings (Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Opening balance	(2,283.09)	(2,350.79)
Net Profit/(Loss) for the period	391.16	67.61
Add/(Less):		
Transfer From PPE Reserve	67.58	2.76
FCCB's Converted during the year	-	0.01
Dividend on Preference Shares	-	-
Others	(2.80)	(2.60)
Transfer to Retained Earnings IndAS 116	-	(3.06)
Removal of NCI	-	-
Remeasurement of post employment benefit obligation, net of tax	(3.97)	2.98
Closing balance	**(1,831.12)**	**(2,283.09)**

d) Property, Plant and Equipment Reserve (Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Opening balance	110.79	113.55
Add/(Less):		
Transferred to Retained Earnings	(67.58)	(2.76)
Closing balance	**43.21**	**110.79**

ii. Other Components of Equity: (Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Share Suspense account - Equity Shares	-	25.95
Equity Component of Compound financial instruments	18.88	18.88
Closing balance	**18.88**	**44.83**

Share Application Money Pending Allotment (Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Opening Balance		25.95
Allotment of equity shares under FCCB conversion		-
Total	**-**	**25.95**

Equity Component of Compound Financial Instruments (Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Opening Balance	18.88	18.89
Allotment of equity shares under FCCB conversion	-	(0.01)
Total	**18.88**	**18.88**

15. DISTRIBUTION MADE AND PROPOSED

Cash dividends (Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Cash dividends on Preference shares declared and paid	0.64	0.64
Dividend distribution tax (DDT) on final dividend	-	0.13
Total	**0.64**	**0.78**

The amount of cumulative preference dividends not recognised as at reporting date was INR Nil (DDT INR Nil) [As at March 31, 2020 : INR Nil (DDT INR Nil)].

16. BORROWINGS:

(Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Non Current Borrowings		
Secured		
(a) Term Loans		
From Banks	21.81	326.85
From Others	-	9.76
Unsecured		
(a) Liability Component of Foreign Currency Convertible Bonds	83.29	104.05
(b) Cumulative Non Convertible Reedemable Preference Shares	430.51	412.32
(A)	**535.61**	**852.98**
Current Maturity of Non Current Borrowings		
Secured		
(a) Term Loans		
From Banks	-	63.45
From Others	-	4.58
Unsecured		
(a) Liability Component of Foreign Currency Convertible Bonds	19.46	19.04
(B)	19.46	87.07
Total (A-B)	**516.15**	**765.91**

Current Borrowings		
Secured		
(a) Loans repayable on demand		
From Banks	-	-
From Other Parties	-	-
Total	**-**	**-**

(Amount in INR Crores)

Particulars	Coupon / Interest Rate	March 31, 2021	March 31, 2020
Non Current Borrowings			
Secured			
(a) Term Loans			
From Banks	10.00%	21.81	326.85
From Others	6.75% to 10%	-	9.76
Unsecured			
(a) Liability Component of Foreign Currency Convertible Bonds	2.50%	83.29	104.05
(b) Cumulative Non Convertible Reedemable Preference Shares	0.01% to 0.10%	430.51	412.32
Gross Non Current Borrowings		**535.61**	**852.98**
Less: Current maturity		(19.46)	(87.07)
Net Non Current Borrowings (as per Balance sheet)		**516.15**	**765.91**

The Debt Restructuring Scheme (DRS) proposal submitted by the Company in December 2015 was approved by the CDR-Empowered Group vide its Letter of Approval dated June 14, 2016. Accordingly, the Lenders executed a Supplementary Master Restructuring Agreement with the Company in FY2017. The Supplementary Master Restructuring Agreement was not executed by three lenders, viz. State Bank of Hyderabad (SBH) and State Bank of Travancore (SBT) (which subsequently got merged with State Bank of India (SBI)) as well as Indian Overseas Bank (IOB). Consequently, in the Books of the Company, for SBI and IOB, out of the debt to be restructured, the Equity portion and Preference portion, as per the DRS proposal computation is being reflected as Share Suspense under Other Equity. On the other hand, SBI and IOB are still reflecting the entire amount due, as debt.

Maturity Date, Terms of Repayment and coupon / interest rate for Rupee Term Loan from Lenders and Foreign Currency Convertible Bonds (FCCBs): (Amount in INR Crores

Particulars	LENDERS	FCCBs
Interest / coupon rate	10%	2.50%
Moratorium on Debt Principal	Upto March 31, 2018	Upto March 31, 2019
Servicing of Interest	Monthly from April 2016	Semi Annual from April 2016
Repayment of Debt Principal	Monthly over 6 years	Annual over 6 years
Repayment of Preference Shares	March 31, 2026	Not Applicable
Other Terms		Conversion of 25% FCCB to Equity @ INR 12.50; i.e. Premium of INR 2.50 (25%)

Convertible Bonds

For details of convertible bonds, repayable terms, coupon rate, conversion rate, etc refer to Note 16 Part A Summary of Amended terms and conditions of 'Existing FCCBs' and terms and conditions of New FCCBs

(Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Face value of bonds issued	131.44	131.44
Transaction Cost	(1.38)	(1.38)
Equity component of convertible bonds - value of conversion rights#	(30.79)	(30.79)
Interest charged till reporting date *	39.46	31.80
Interest paid till reporting date	(16.25)	(13.33)
Foreign Exchange Loss / (Gain) till reporting date	12.17	14.34
Conversion / Markdown	(51.36)	(28.03)
Non Current Borrowings	**83.29**	**104.05**

* Interest expense is calculated by applying the effective interest rate of 7.50% to the liability component.

The equity component of convertible bonds has been presented under other equity net of deferred tax of INR 18.88 crores (March 31, 2020: INR 18.88 crores).

Non Convertible Redeemable Preference Shares

The terms of Class A Preference Shares having face value of INR 5 each, had been amended in financial year 2015-2016 and these were made redeemable on March 15, 2026. Redemption Premium shall be an amount that would provide the holder of the said shares an internal rate of return (IRR) of 6% per annum excluding the Dividend Rate on the outstanding amount of the said shares, to be paid at the time of redemption of the said shares.

Class B Preference Shares of face value of Rs. 5 each are redeemable on March 15, 2026 and would carry a dividend of 0.10 % per annum.

Class C Preference Shares of face value of Re. 1 each with a premium of Rs. 4 each and would carry a dividend of 0.10 % per annum.

(Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Value of preference shares issued (old)	65.00	65.00
Value of preference shares issued (under DRS)	660.15	660.15
Transaction Cost	(0.94)	(0.94)
Fair Valuation Gain	(440.55)	(440.55)
Interest expense till reporting date	172.46	131.24
Dividend paid till reporting date	(3.22)	(2.58)
Non Current Borrowings	**452.90**	**412.32**

(Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Current Borrowings		
Secured		
Loans repayable on demand		
From Banks	-	-
From Other Parties	-	-

Net debt Reconciliation

This section sets out an analysis of net debt and the movements in net debt for the year ended March 31, 2021:

(Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Non-current Borrowings	516.29	836.31
Current Borrowings	-	-
Net Debt	**516.29**	**836 .31**

(Amount in INR Crores)

Particulars	Liabilities from financing activities		
	Non Current Borrowings	Current Borrowings	Total
Net Debt as at March 31, 2019	**865.28**	**31.70**	**896.98**
Reclassification of borrowings	31.70	(31.70)	-
Interest Paid	(122.37)	-	(122.37)
Preference Dividend Paid	-	-	-
Interest Expense	72.02	-	72.02
Foreign Exchange Reinstatement	(9.24)	-	(9.24)
Other non cash movements			
- Adjusted against Trade Receivables	(0.44)	-	(0.44)
- Shares issued towards conversion of FCCB	-	-	-
- Amortisation of Transaction Cost	(0.64)	-	(0.64)
- Revision in account balances on account of DRS	-	-	-
- TDS Deducted	-	-	-
Net Debt as at March 31, 2020	**836.31**	**-**	**836.31**
Reclassification of borrowings	(259.12)	-	(259.12)
Interest Paid	(45.81)	-	(45.81)
Preference Dividend Paid	-	-	-
Interest Expense	(16.99)	-	(16.99)
Foreign Exchange Reinstatement	2.17	-	2.17
Other non cash movements			
- Adjusted against Trade Receivables	(0.46)	-	(0.46)
- Shares issued towards conversion of FCCB	-	-	-
- Amortisation of Transaction Cost	0.20	-	0.20
- Revision in account balances on account of DRS	-	-	-
- TDS Deducted	-	-	-
Net Debt as at March 31, 2021	**516.30**	**-**	**516.31**

16. BORROWINGS (Amount in INR Crores)

A. Summary of Amended terms and conditions of 'Existing FCCBs' and terms and conditions of New FCCBs:

Particulars	Fourth Issue Amended	Fifth Issue Amended	New Issue
Issue currency	USD	USD	USD
Issue size	2.435 million	125.356 million	42.44175 million
Issue date	July 26, 2007	April 25, 2012	December 09, 2016
Amendment date	April 25, 2012 and December 09, 2016	December 09, 2016	N.A.
Maturity date	March 31, 2025	March 31, 2025	March 31, 2025
Coupon rate	2.50%	2.50%	2.50%
Fixed exchange rate of conversion	INR 40.81	INR 50.7908	INR 66.326
Conversion price–post bonus	INR 165.935	INR 16.50	INR 12.5
Writeback – (USD)			
2020-21	Nil	Nil	Nil
2019-20	Nil	Nil	Nil
Conversions/Redemptions – (USD)			
2020-21	(0.07 million)	(0.44 million)	(2.67 million)
2019-20	(0.07 million)	(0.44 million)	(2.67 million)
Outstanding as at - (USD)			
March 31, 2021	0.29 million	1.78 million	10.68 million
March 31, 2020	0.36 million	2.22 million	13.35 million
Outstanding as at - (INR Crores)			
March 31, 2021	2.12	13.02	78.19
March 31, 2020	2.70	16.61	99.76

"*One-sixth portion of the outstanding principal amount of the FCCBs shall be redeemed on March 31 of each year starting from March 31, 2020 through March 31 2025."

B. Securities offered

The borrowing from the CDR lenders (excluding Specified CDR lenders i.e. Axis Bank Limited, RBL Bank Limited, L&T Finance Limited, Reliance Capital Limited, SREI Equipment Finance Limited and EXIM Bank) together with all interest, default interest, additional interest, commitment fees, all and any other costs, charges, expenses, fees, financing charges/fees/ remuneration shall continue to be secured by the security created in terms of the original Master Restructuring Agreement including the Corporate Guarantee and pledge over the Subject Shares.

Certain Specified lenders referred above/ non CDR lenders shall have pari passu share in the cash flow of the Company.

"Details of 'Security created', 'Corporate Guarantees from Material Subsidiaries' and 'Pledge of share's are as described under:"

a) Security created

Sr No.	Security	First Charge to	Second Charge to
1	A charge and mortgage on all the present and future immovable and movable tangible fixed assets (except leased assets) of the Company.	ICICI Bank and IDBI Bank	All CDR Facilities (other than ones of ICICI Bank and IDBI Bank in respect of which the First Charge is created).
2	A charge on all the Receivables and stocks of the Company.	IDBI Bank, Oriental Bank of Commerce ('OBC'), State Bank of Travancore ('SBT') and Standard Chartered Bank ('SCB'). First charge shall be pari passu with the existing first charge created in favour of a working capital facility (non fund based) provided by the Development Bank of Singapore (DBS).	All CDR Facilities other than the ones of IDBI Bank, OBC, SBT and SCB in respect of which the First charge is created.
3	A charge on all the present and future Current Assets (except Receivables) of the Company.	SBT First charge shall be pari passu with the existing first charge created in favour of (i) a working capital facility (non fund based) provided by DBS. Further, first ranking pari passu charge has been created over stock in trade consisting of raw materials, finished goods, goods in process of manufacturing and other merchandise of the Company, to secure SCB Facility.	All CDR Facilities other than the one of SBT in respect of which the First charge is created.
4	A charge on all the present and future intellectual property rights (other than in respect of ORION and PREMIA) of the Company.	All CDR Facilities. Intellectual property rights in respect of ORION and PREMIA are charged in favour of SCB on exclusive basis.	Not Applicable

b) Corporate guarantees from material subsidiaries:

Corporate guarantees of each of the material subsidiaries guaranteeing the secured obligations ("Corporate Guarantees"), in favour of all the CDR lenders. Each Corporate Guarantee shall be secured/credit enhanced by security interest over assets of the relevant material subsidiary providing the Corporate Guarantee, as permitted under applicable laws in the relevant jurisdictions, as detailed in the table below and shall have the ranking as mentioned against each security.

(Amount in INR Crores)

Sr No.	Security	First Charge to	Second Charge to
Charge on assets of 3i Infotech Inc (including assets of 3i Infotech Financial Software Inc which has been merged with 3i Infotech Inc effective December 31, 2017)			
1	A charge on all the present and future movable fixed assets and current assets of 3i Infotech Inc (including current assets of 3i Infotech Financial Software Inc which has been merged with 3i Infotech Inc effective December 31, 2017).	ICICI Bank First charge shall be pari passu with the existing first charge created in favour of State Bank of India, California to secure line of credit of US$ 4.5 million.	All CDR Facilities other than the one of ICICI Bank in respect of which the First charge is created.
Charge on assets of 3i Infotech (Middle East) FZ LLC			
2	A charge on all the present and future movable fixed assets and current assets (except receivables and the collection account) of 3i Infotech (Middle East) FZ LLC.	All CDR Facilities. First ranking pari passu security interest has been created over collection account of 3i Infotech (Middle East) FZ LLC to secure USD 17 million STF facility and guarantee facility by SCB, Dubai.	Not Applicable
Charge on assets of 3i Infotech Asia Pacific Pte Limited			
3	A charge on all the receivables of 3i Infotech (Middle East) FZ LLC.	Not Applicable	All CDR Facilities
4	A charge on all the present and future movable fixed assets and current assets (other than receivables and stocks) of 3i Infotech Asia Pacific Pte Limited.	All CDR Facilities. First ranking pari passu charge has been created over stock in trade consisting of raw materials, finished goods, goods in process of manufacturing and other merchandise of 3i Infotech Asia Pacific Pte Limited, to secure the cash credit facility of USD 2 million provided by SCB Singapore.	Not Applicable
5	A charge on all the receivables and stocks of 3i Infotech Asia Pacific Pte Limited.	Not Applicable First charge has been created to secure the cash credit facility of USD 2 million provided by Standard Chartered Bank, Singapore.	All CDR Facilities.
Charge on assets of 3i Infotech SDN BHD, 3i Infotech BPO Limited,3i Infotech(UK) Limited and 3i Infotech(Western Europe) Holdings Limited.			
6	A charge on all the present and future movable assets including Current Assets of 3i Infotech(UK) Limited, 3i Infotech(Western Europe) Holdings Limited, 3i Infotech SDN BHD and 3i Infotech BPO Limited, except Current Assets of 3i Infotech BPO Limited.	All CDR Facilities	Not Applicable
7	A charge on all the current assets of 3i Infotech BPO Limited	First charge has been created to secure the cash credit facility of Rs.3 crores provided by Development Credit Bank ('DCB').	All CDR Facilities

b) Pledge of shares:

Pledge of shares held by the Companies set out in Column I of the Table below in respect of their respective investments set out in Column II and with details of shares mentioned in column III:

Pledgor (I)	Company whose shares have been pledged (II)	Details of shares pledged (III)
3i Infotech Limited	3i Infotech(UK) Limited	3,226,308 equity shares of GBP 1 each
	3i Infotech Holdings Private Limited	6,258,371,598 ordinary shares of MUR 1 each
	3i Infotech Asia Pacific Pte Limited	5,346,202 ordinary shares of SGD 1 each
	3i Infotech BPO Limited	100,000 equity shares of ` 10 each
3i Infotech Asia Pacific Pte Limited.	3i Infotech SDN BHD	5,000,000 shares of RM 1 each
3i Infotech Holdings Private Limited	3i Infotech Inc	100,138,406 Class A common stock of US$ 0.30 each and 1,000,000 Class B common stock of US$ 0.01 each 935,187 Class A common stock of US$ 0.30 each (issued by 3i Infotech Inc to 3i Infotech Holdings Private Limited consequent to merger of 3i Infotech Financial Software Inc with 3i Infotech Inc effective December 31, 2017).
	3i Infotech (Middle East) FZ LLC	46,174 shares of AED 1000 each
3i Infotech(UK) Limited	3i Infotech(Western Europe) Holdings Limited	1500,000 A shares and 384,000 B shares of 10 p each respectively

17. OTHER FINANCIAL LIABILITIES: (Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Current		
Financial Liabilities at amortised cost		
Current maturities of long term debts	-	68.03
Current maturities of FCCB	19.46	19.04
Lease obligations	-	-
Interest accrued and not due on borrowings	0.14	2.37
Unclaimed dividends*	-	-
Dues to employees	31.85	48.12
Deposits Payable	0.17	0.51
Current		
Other Payables	3.28	-
Total	**54.90**	**138.07**

* There are no amounts which are due to be transferred to Investor Education and Protection Fund.

18. TRADE PAYABLES: (Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Current		
Trade Payables to Micro, Small and Medium Enterprises	-	-
Trade Payables to Others	55.45	51.19
Total	**55.45**	**51.19**

19. OTHER LIABILITIES: (Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Current		
Unearned Revenue	0.91	53.97
Deferred Income	-	-
Advance received from Customers	0.25	0.95
Others		
Statutory Liabilities	24.04	42.00
Others	-	-
Total	**25.20**	**96.92**

20. PROVISIONS: (Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Non Current		
Provision for employee benefits (Refer Note 29)		
Gratuity	14.91	18.68
Leave encashment	1.12	0.94
Total	**16.03**	**19.62**
Current		
Provision for employee benefits (Refer Note 29)		
Gratuity	1.21	1.55
Leave encashment	0.64	0.90
Others Provision for Employee benefits	-	-
Total	**1.85**	**2.45**

21. Lease Liabilities (Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Non Current Lease Liabilities	25.20	43.01
Current Lease Liabilities	8.48	6.50
Total	**33.68**	**49.51**

CURRENT TAX LIABILITY(NET)

(Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Opening balance	13.52	13.52
Closing Balance	**13.52**	**13.52**

22. REVENUE FROM OPERATIONS: (Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
IT Solutions	555.93	640.57
Transaction services	52.69	57.65
Total	**608.62**	698.22

23. OTHER INCOME: (Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Interest income on		
Bank Fixed Deposits	4.41	7.91
Income Tax Refund	5.15	-
Others	-	0.19
Financial Assets at amortised cost	-	-
Other Non Operating Income (Net of expenses directly attibutable to such income)		
Net gain/(loss) on disposal of property, plant and equipment	2.92	0.13
Foreign Exchange Fluctuation Gain	1.99	-
Financial Gurantee Commission Income	-	-
Others		
Provision reversal for doubtful advances	-	-
Amortisation of Deferred Income		-
Miscellaneous Income	9.12	11.31
Total	**23.59**	19.54

24. COST OF THIRD PARTY PRODUCTS AND SERVICES **(Amount in INR Crores)**

Particulars	March 31, 2021	March 31, 2020
Cost of third party products and services	57.06	133.10
Total	**57.06**	133.10

25. EMPLOYEE BENEFITS EXPENSE: **(Amount in INR Crores)**

Particulars	March 31, 2021	March 31, 2020
Salaries, wages and bonus	478.81	446.60
Contribution to provident and other funds	11.22	10.20
Staff welfare expenses	1.39	2.41
Recruitment and training expenses	0.82	1.71
Employee Stock Option Expense	1.91	1.88
Gratuity Expenses	2.24	3.06
Total	**496.39**	**465.86**

26. FINANCE COST: **Amount in INR Crores)**

Particulars	March 31, 2021	March 31, 2020
Interest expense on debts and borrowings *	77.57	83.09
Total Interest Expenses	**77.57**	**83.09**
Other borrowing costs		
Others	7.16	7.32
Total	**84.73**	**90.41**

27. DEPRECIATION AND AMORTISATION EXPENSE: **(Amount in INR Crores)**

Particulars	March 31, 2021	March 31, 2020
Depreciation on tangible assets	3.73	3.40
Amortisation of intangible assets	0.01	0.21
Amortisation of right to use assets	11.68	10.55
Total	**15.42**	14.16

28. OTHER EXPENSES: **(Amount in INR Crores)**

Particulars	March 31, 2021	March 31, 2020
Electric power, fuel and water	3.65	4.31
Building	0.49	1.22
Others	0.66	1.50
Commission	5.56	4.17
Insurance	6.22	3.13
Legal and professional fees	25.71	24.54
Rates and taxes	2.06	0.68
Hire Charges	2.66	2.04
Telephone and internet expenses	1.98	2.57
Travelling and conveyance expenses	3.28	8.46
Allowance for doubtful debts and advances	0.08	(0.26)
Office expenses	1.72	1.94
Business Transfer Expenses	22.18	-
Miscellaneous expenses	11.52	0.17
Foreign exchange fluctuation loss	-	7.05
Directors sitting fees	0.39	0.16
Net loss on disposal of property, plant and equipment	-	-
Total	88.16	61.68

(a) Details of Payments to auditors **(Amount in INR Crores)**

Particulars	March 31, 2021	March 31, 2020
As auditor	0.70	0.75
Audit Fee	0.07	0.07
Tax audit fee		
In other capacity	-	-
Consulting Fees	0.08	0.10
Other services (certification fees)	-	0.01
Re-imbursement of expenses		
Total	0.85	0.93

(b) Corporate Social Responsibility (CSR) expenditure

As per Section 135 of the Companies Act, 2013, the Company does not meets the applicability threshold. Hence no expenditure has been incurred during the current year towards CSR activities.

(c) Research And Development Costs

The Group during the year has incurred cost on research and development activities which are not eligible for capitalisation in terms of Ind AS 38 and therefore they are recognised in statement of profit and loss. Amount charged to profit or loss during the year ended March 31, 2021 INR 26.83 crores (March 31, 2020: INR 30.09 crores) details of which are as follows: **(Amount in INR Crores)**

Particulars	March 31, 2021	March 31, 2020
i. On Revenue Account :		
Payments to and provision for employees		
- Salaries, Wages, Bonus, Allowances, contribution to provident and other funds etc.	20.11	21.82
Other Expenses		
- Legal and Professional charges	-	0.20
- Other Expenses	0.08	1.07
- Cost of third party products and services	6.64	7.00
Total	26.83	30.09
ii. On Capital Account	-	-
Total Research and Development Expenditure (i + ii)	**26.83**	**30.09**

29. EARNINGS PER SHARE **(Amount in INR Crores)**

Sn.	Particulars	March 31, 2021	March 31, 2020
1.	**Basic earnings per share attributable to the equity holders of the Company (Amount in INR)**	2.42	0.42
	From continuing operations	1.59	(0.38)
	From discontinuing operations	0.83	0.80
		2.42	0.42
2.	**Diluted earnings per share attributable to the equity holders of the Company (Amount in INR)**		
	From continuing operations	1.59	(0.38
	From discontinuing operations	0.38	-
		2.42	(0.38)
3.	**Face Value per share (Amount in INR)**	10.00	10.00
4.	**Reconciliations of earnings used in calculating earnings per share**		
4.a)	Profit attributable to the equity holders of the Company used in calculating basic earnings per share		
	From continuing operations	257.77	(60.88)
	From discontinuing operations	133.39	128.90
		391.16	68.02
4.b)	Profit attributable to the equity holders of the Company used in calculating diluted earnings per share		
	From continuing operations	257.77	(60.88)

	Add: Interest savings on convertible bonds	-	-
	Add: Interest savings on convertible preference shares	-	-
	Add: Interest savings on other instruments	-	-
	Profit from discontinuing operations	133.39	-
		391.16	**(60.88)**
5.	**Weighted average number of shares used as the denominator**		
	Weighted average number of equity shares used as the denominator in calculating basic earnings per share	**1,616,654,866**	**1,616,645,355**
	Adjustments for calculation of diluted earnings per share:		
	Options*		
	Convertible Bonds*		
	Convertible Preference shares		
	Total	**1,616,654,866**	**1,616,645,355**

*Since the market price of the shares is lower than the exercise price/ conversion price of potentially dilutive instruments, these instruments have not been considered for calculation of diluted EPS.

30. EMPLOYEE BENEFIT OBLIGATIONS **(Amount in INR Crores)**

Particulars	March 31, 2021			**March 31, 2020**		
	Current	Non Current	Total	Current	Non Current	Total
Leave obligations	0.64	1.12	1.76	0.90	0.94	1.84
Gratuity	1.21	14.91	16.12	1.55	18.68	20.23
Total Employee Benefit Obligation	**1.84**	**16.03**	**17.87**	**2.45**	**19.62**	**22.07**

(i) Leave Obligations

The leave obligations cover the Company's liability for sick and earned leave.

The amount of the provision of INR 0.64 Crores (March 31, 2020: INR 0.90 crores) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations.

(ii) Post Employement obligations

(a) Defined benefit plan - Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service.

The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows:

(Amount in INR Crores)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at March 31, 2019	**21.55**	-	**21.39**
Forex on Translation	0.14	-	0.14
Current service cost	2.68	-	2.68
Interest expense/(income)	1.32	-	1.32
Total amount recognised in profit or loss	**4.15**	-	**4.15**
Re measurements			-
Return of plan assets, excluding amount included in interest (income)	(0.28)	-	(0.28)
(Gain)/Loss from change in demographic assumptions	0.11	-	0.11
(Gain)/Loss from change in financial assumptions	(1.83)	-	(1.83)
Experience (gains)/losses	(0.87)	-	(0.87)
Total amount recognised in other comprehensive income	**(2.88)**	-	**(2.88)**
Employer contributions	-	-	-
Benefit payments	(2.25)	-	(2.25)
Translation Differences	0.01	-	0.01
As at March 31, 2020	**20.57**	-	**20.42**
For ex on Translation	-		-
Current service cost	9.44		1.51
Interest expense/(income)	0.56		0.56
Total amount recognised in profit or loss	(8.88)	-	(8.88)
Re measurements			-
Return of plan assets, excluding amount included in interest (income)	-		-
(Gain)/Loss from change in demographic assumptions	0.25		0.25
(Gain)/Loss from change in financial assumptions	8.14		8.14
Experience (gains)/losses	(0.34)		(0.34)
Total amount recognised in other comprehensive income	8.05	-	8.05
Employer contributions	-		-
Benefit payments	(0.83)		(0.83)
Translation Differences	-		-
As at March 31, 2021	**18.91**	-	**18.76**

The net liability disclosed above relates to funded and unfunded plans are as follows: (Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Present value of funded obligations	**18.91**	20.57
Fair value of plan assets	-	-
Deficit of funded plan	**18.91**	20.57
Unfunded plans	-	-
Deficit of gratuity plan	**18.91**	**20.57**

The following table shows a breakdown of the defined benefit obligation and plan assets by Geography:

(Amount in INR Crores)

Particulars	**March 31, 2021**		**March 31, 2020**	
	Gratuity		**Gratuity**	
	India	**Mearc**	**India**	**Mearc**
Present value of obligations	17.96	0.95	18.34	2.23
Fair value of plan assets	-	-	-	-
	17.96	0.95	**18.34**	**2.23**
Asset Ceiling	**-**	**-**	**-**	**-**
Total Liability	17.96	0.95	**18.34**	**2.23**

The significant actuarial assumptions were as follows: (Amount in INR)

Particulars	**March 31, 2021**	**March 31, 2020**
Discount rate	2.65% - 13.05%	2.70% - 12.30%
Expected return on plan assets		
Salary growth rate		
For first 3 years	1.00% - 5.00%	0.00% - 3.00%
After 3 years	1.00% - 5.00%	1.00 to 2.00%
Withdrawal rate		
Upto 4 years	0%-84%	0%-75%
5 years and above	0%-16%	0%-4%
Mortality rate	100.00%	100.00%

A quantitative sensitivity analysis for significant assumption as at March 31, 2021 is shown below:

(Amount in INR Crores)

Assumptions	**Discount rate**		**Salary growth rate**		**Attrition rate**	
Sensitivity Level	1% increase	1% increase	1% increase	1% increase	1% increase	1% increase
March 31, 2020						
Impact on defined benefit obligation	7.19	8.99	9.01	7.16	8.14	7.85
% Impact	-10.40%	12.20%	12.40%	-10.70%	1.60%	-2.10%
March 31, 2019						
Impact on defined benefit obligation	12.87	15.68	15.76	12.79	14.97	13.18
% Impact	-9.20%	10.70%	11.20%	-9.80%	5.60%	-7.00%

Assumptions	Mortality rate	
Sensitivity Level	10% increase	10% decrease
March 31, 2021		
Impact on defined benefit obligation	8.02	8.01
% Impact	0.01%	-0.01%
March 31, 2020		
Impact on defined benefit obligation	14.20	14.14
% Impact	**0.20%**	**-0.20%**

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occuring at the end of the reporting period.

The Company's best estimate of future cash flows during the next 12 months is INR 9.10 crore (as at March 31, 2020 : INR 17.05 crore).

The average duration of the defined benefit plan obligation at the end of the reporting period is 12 years (March 31, 2020 9 years)

Expected cash flows over the next (valued on undiscounted basis) **(Amount in INR Crores)**

Particulars	March 31, 2021	**March 31, 2020**
1 year	0.78	1.15
2 to 5 years	3.48	5.23
6 to 10 years	4.97	6.96
More than 10 years	20.87	27.12

(b) Defined contribution plans

The company also has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any contructive obligation. The expense recognised during the year towards defined contribution plan is INR 11.22 crores (March 31, 2019: INR10.20 crores)

31. SHARE BASED PAYMENTS

(a) Employee option plan

The Company's Employee Stock Option Schemes are applicable to "Eligible Employees" as defined in the scheme which includes directors and employees of the Company and its subsidiaries. Currently, the Company has 3 schemes, ESOS 2000, ESOS 2007 and ESOS 2018 (as amended). ESOS Scheme 2000 and 2007 provide for issue of equity options up to 25% of the paid-up equity capital to eligible employees and ESOS Scheme 2018 provide for issue of equity options up to 15% of the paid-up equity capital to eligible employees.

The options granted under the ESOS scheme 2000 and 2007 vest in a phased manner over three years with 20%, 30% and 50% of the grants vesting at the end of each year commencing one year from the date of the grant and the same can be exercised within ten years from the date of the grant or five years from the date of vesting of options whichever is later by paying cash at a price determined on the date of the grant. The options granted under ESOS 2018 vest in a graded manner over a three year period, with 33%, 33% and 34% of the grants vesting in each year, commencing one year from the date of the grant and the same can be exercised within 5 years from the date of vesting. One Stock option if exercised will be equivalent to one equity share.

During the year ended March 31, 2013, the Board of Directors of the Company approved ESOS Plan -2013 under the existing scheme ESOS 2007. The plan consist of variations in certain terms with regard to vesting and certain other related matters in ESOS 2007. The options granted are convertible and one option is equivalent to one equity share each. This plan is applicable to all the new options granted to eligible employees for the year ended March 31, 2014.

During the year ended March 31, 2015, the Board of Directors of the Company approved ESOS Plan-2014 under the existing scheme ESOS 2007. The plan consists of variations in certain terms with regard to vesting and certain other related matters in ESOS 2007. The options granted are convertible and one option is equivalent to one equity share each. This plan is applicable to all the new options granted to eligible employees for the year ended March 31, 2015.

During the year ended March 31, 2016, the Board of Directors of the Company approved ESOS Plan-2015 under the existing scheme ESOS 2007. The plan consists of variations in certain terms with regard to vesting and certain other related matters in ESOS 2007. The options granted are convertible and one option is equivalent to one equity share each. This plan is applicable to all the new options granted to eligible employees for the year ended March 31, 2016.

The options granted under ESOS Plan -2013; under ESOS Plan -2014 and under ESOS Plan -2015 Vesting Criteria for ESOS plan 2013 and 2014 under ESOS Scheme 2007 is in the ratio of 33%, 33% and 34% vesting in each year, commencing one year from the date of grant.Vesting Criteria for ESOS plan 2015 under ESOS Scheme 2007 is in the ratio of 50%, 25% and 25% vesting in each year, commencing one year from the date of grant.

The existing options (other than those granted under ESOS plan-2013, ESOS plan-2014 & ESOS plan-2015) would continue to be governed by the existing terms.

During the year ended March 31, 2021, Nil Stock Options were granted (10,00,000 Options granted for the year ended March 31, 2020).

Note on transitioned employees :-

Under the employee stock options scheme 2007 – Plan 2013, Plan 2014, Plan 2015 and Plan 2018 the employees shall be permitted to exercise until 17 January, 2022 any employee stock options that have already been vested on or prior to the Transfer Date for the employees which are transferred under the Business Transfer Agreement.

In case the employee stock options issued to employee under the employee stock options scheme 2018 – Plan 2018 are due for vesting on 18 January 2022, then such options shall stand automatically vested to employee on the Transfer Date ("Accelerated Options") and such Accelerated Options may be exercised by employee in the period from 18 January 2022 to 17 April 2022.

Movement during the year

The number and weighted average exercise prices (WAEP) of the options and movement during the period is as follows:

Particulars	March 31, 2021		March 31, 2020	
	Numer of options	WAEP	Numer of options	WAEP
Opening balance	97,763,950	10.02	103,960,400	10.24
Granted during the period*	-	-	1,000,000	10.00
Exercised during the period	-	-	-	-
Forfeited during the period	-	-	-	-
Expired during the period	3,272,950	10.50	7,196,450	13.27
Closing balance**	**94,491,000**	**10.00**	**97,763,950**	**10.02**
Vested and exercisable	84,760,000	10.00	43,573,920	10.04

* During the year ended March 31, 2021, NIL options (for the year ended March 31, 2020 NIL Options) granted to Managing Director and Global CEO.

** Includes 87,30,000 options granted to Managing Director/Executive Director and Non-Executive Directors (for the year ended March 31, 2020, 87,30,000 options).

The following tables summarize information about outstanding stock options:

As at March 31, 2021

Range of exercise price	Number of shares arising out of options	Weighted average remaining life (in years)	Weighted average exercise price (INR)
INR 45 to INR 50	-	-	-
INR 57 to INR 144	-	-	-
INR 10	94,491,000	5	10

As at March 31, 2020

Range of exercise price	Number of shares arising out of options	Weighted average remaining life (in years)	Weighted average exercise price (INR)
INR 45 to INR 50	-	-	-
INR 57 to INR 144	25,000	0	76
INR 10	97,738,950	6	10

(b) Expense arising from share based payment transactions

Total expenses arising from share based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

(Amount in INR Crores)

Particulars	2020-21	**2019-20**
Employee stock option expense	2.94	3.31
Total employee share-based payment expense	**2.94**	**3.31**

32. COMMITMENTS AND CONTINGENCIES

[A] Commitments

i. Capital Commitments

Capital expenditure contracted for at the end of the reporting year but not recognised as liabilities is as follows:

(Amount in INR Crores)

Particulars	March 31, 2021	**March 31, 2020**
Property, plant and equipment	0.01	1.11

[B] Contingent Liabilities

(Amount in INR Crores)

Particulars	March 31, 2021	**March 31, 2020**
i. Claim against the company not acknowledged as debt		
- Disputed income tax matters	100.77	100.87
- Disputed service tax matters (excluding interest as applicable)	182.04	182.04
- Disputed sales tax matters	1.18	4.57
- Customer claims	51.86	13.14

- Others*	1.27	1.25
ii. Outstanding bank guarantees	38.14	34.34
iii. Other money for which the company is contingently liable - Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	0.01	1.11
-Uncalled capital pertaining to Joint Venture	-	-
iv. Arrears of Cummulative Preference Dividend (including dividend distribution tax thereon)	-	-

* Includes claim in respect of legal cases relating to Registrar and Transfer Services, which are reimbursable by the Principal to the extent of INR 1.21 crores (as at March 31, 2020: INR 1.20 crores).

The Company's pending litigation is in respect of proceedings pending with Tax Authorities and customer claims with various courts. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial statements.

[C]Financial Guarantees (Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Outstanding bank guarantees	38.14	34.34

33. Investment in Joint Venture

The Group has 47.50% interest in Process Central Limited, Joint Venture in Nigeria – Jointly Controlled Entity. The aggregate amounts of assets, liabilities, income and expenses related to the Group's share in Process Central Limited (Joint venture in Nigeria) are as under:

Assets & Liabilities in Joint venture (Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Assets	2,505,338	2,505,338
Liabilities	2,052,726	2,052,726

There are no Income & Expense of Joint venture during the year and there are no Contingent Liabilities/ Capital Commitments.

34. DISCLOSURES REQUIRED BY SCHEDULE III

(Amount in INR Crores)

		Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	Name of the Entity in the Group	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
A]	**Parent**	111%	831.97	99%	254.05	70%	(2.80)	83%	321.61
B]	**Subsidiaries**								
1	Indian :								
	3i-Infotech BPO Limited , (India)	6%	45.88	1%	3.12	11%	(0.45)	1%	2.63
	3i Infotech Consultancy Services Limited, (India)	3%	24.88	1%	2.69	22%	(0.87)	0%	1.13
	Professional Access Software Development Pvt Limited, (India)	0%	1.16	0%	-	0%	-	0%	-
	3i Infotech Outsourcing Services Limited (India)	0%	-	0%	-	0%	-	0%	-
2	Foreign								
	3i Infotech Inc., (USA)	22%	164.14	-11%	(29.19)	0%	-	-7%	(27.56)
	3i Infotech Holdings Private Limited, (Mauritius)	72%	543.23	-7%	(18.76)	0%	-	-5%	(18.76)
	3i Infotech Asia Pacific Pte. Limited	3%	19.11	-3%	(6.91)	0%	-	0%	0.15
	3i Infotech SDN BHD	6%	46.54	-2%	(6.11)	0%	-	-1%	(5.32)
	3i Infotech Thailand Limited	0%	(2.17)	-3%	(7.26)	0%	-	0%	(0.96)
	3i Infotech Saudi Arabia LLC., (Saudi Arabia)	-8%	(63.44)	-10%	(26.18)	-3%	0.13	-1%	(4.90)
	3i infotech South Africa (PTY) Ltd	0%	(0.45)	0%	0.02	0%	-	0%	0.02
	3i Infotech (Africa) Limited, (Kenya)	-7%	(54.45)	1%	1.81	-1%	0.03	-1%	(5.74)
	3i Infotech (Middle East) FZ LLC., (UAE)	22%	163.60	85%	220.32	0%	-	64%	246.91
	3i Infotech Software Solution LLC	0%	(0.31)	0%	(0.77)	1%	(0.02)	0%	(0.79)
	3i Infotech Nigeria Limited	0%	(1.66)	0%	1.03	0%	-	0%	(0.86)
	3i Infotech (UK) Limited, (UK) (Consolidated)	0%	(1.14)	-3%	(8.24)	0%	-	0%	1.46
	3i Infotech (Canada) INC	0%	(0.88)	0%	(0.88)	0%	-	0%	(0.88)
	3i Infotech Netherlands B.V.	0%	(2.68)	-1%	(2.07)	0%	-	-1%	(2.07)
	Black Barret Holdings Limited (Cyprus)	0%	(1.35)	0%	(0.07)	0%	-	0%	(0.07)
	Elegon Infotech Ltd., (China)	0%	-	0%	-	0%	-	0%	-
C]	Adjustments arising out of consolidation	0%	(959.14)	-46%	(118.83)	0%	0.01	-31%	(118.81)
D]	**Non Controlling Interest in all subsidiaries/Associates (Investment as per the equity method)**								
1	**Indian**								
2	Foreign								

E]	Joint Ventures (as per proportionate consolidation/ investment as per the equity method)								
1	Indian								
2	Foreign								
	Process Central Limited, (Nigeria)++	0%	0.05	0%	-	0%	-	0%	-
		227%	752.89	100%	257.77	100%	(3.97)	100%	387.19

35. GROUP INFORMATION AND RELATED PARTY TRANSACTIONS

Parent Company's Subsidiaries /Joint ventures are listed below :

SN	Name of Subsidiaries	Percentage of holding	Country of Incorporation
1	3i Infotech Holdings Private Limited	100% held by Parent Company	Mauritius
2	3i Infotech (Africa) Limited	100% held by 3i Infotech (Middle East) FZ LLC	Kenya
3	3i Infotech (Middle East) FZ LLC	100% held by 3i Infotech Holdings Private Limited	UAE
4	3i Infotech (Thailand) Limited	100% held by 3i Infotech Asia Pacific Pte Limited	Thailand
5	3i Infotech (UK) Limited	100% held by Parent Company	UK
6	3i Infotech (Western Europe) Group Limited	100% held by 3i Infotech (Western Europe) Holdings Limited	UK
7	3i Infotech (Western Europe) Holdings Limited	100% held by 3i Infotech (UK) Limited	UK
8	Rhyme Systems Limited	100% held by 3i Infotech (Western Europe) Group Limited	UK
9	3i Infotech Asia Pacific Pte Limited	100% held by Parent Company	Singapore
10	3i Infotech Inc	100% held by 3i Infotech Holdings Private Limited	USA
11	3i Infotech Saudi Arabia LLC	100% held by Parent Company	Kingdom of Saudi Arabia
12	3i Infotech SDN BHD	100% held by 3i Infotech Asia Pacific Pte Limited	Malaysia
13	3i Infotech (Cyprus) Limited (formerly known as Black-Barret Holdings Limited)	100% held by 3i Infotech Holdings Private Limited	Cyprus
14	3i Infotech Services SDN BHD	100% held by 3i Infotech Asia Pacific Pte Limited	Malaysia
15	Elegon Infotech Limited	100% held by Parent Company	China
16	3i Infotech (South Africa) (Pty) Limited	100% held by 3i Infotech Holdings Private Limited	Republic of South Africa
17	Professional Access Software Development Private Limited	100% held by 3i Infotech (Cyprus) Limited	India
18	3i Infotech BPO Limited	100% held by Parent Company	India
19	3i Infotech Consultancy Services Limited	100% held by Parent Company	India
20	3i Infotech Software Solutions LLC	100% held by 3i Infotech Holdings Private Limited	Dubai
21	3i Infotech (Canada) Inc.	100% held by 3i Infotech Holdings Private Limited	Canada
22	3i Infotech Nigeria Limited	100% held by 3i Infotech Holdings Private Limited	Nigeria
23	3i Infotech Netherlands B.V.	100% held by 3i Infotech Holdings Private Limited	Netherlands

The details of our investment in the joint venture is listed below:

SN	Name of Joint Venture	Percentage of holding	Country of incorporation
1	Process Central Limited	47.50% held by 3i Infotech (Middle East) FZ LLC	Nigeria

As on March 31, 2021, the number of subsidiaries are 23 (twenty three).

Key Managerial Personnel (KMP) :

SN	Name of Related Party	Designation / Details	Remarks
1	Mr. Padmanabhan Iyer	Managing Director, Global CEO and CFO	Appointed on November 11, 2014*
2	Mr. Rajeev Limaye	Company Secretary	Appointed on July 05, 2016
3	Mr. Ashok Shah	Chairman	Appointed on October 01, 2015
4	Dr. Shashank Desai	Director	Resigned on July 30, 2020
5	Mr. Gautam Dutta	Nominee Director- IDBI Bank Ltd	Resigned as a Director on June 14, 2019 due to withdrawal of nomination by IDBI Bank
6	Ms. Zohra Chatterji	Director	Appointed on March 24, 2020
7	Ms. Ranjeev Kumar Sinha	Nominee Director- IDBI Bank Ltd	Appointed on June 14, 2019
8	Ms. Anjoo Navalkar	Non - Executive Director	Resigned on October 25, 2020
9	Mr. Sandeep Kumar Gupta	Nominee Director - Indian Bank	Appointed on October 22, 2020
10	Mr. Pravir Kumar Vohra	Non-Executive Director	Appointed on September 01, 2020
11	Mr. Thompson Gnanam	Additional Whole Time Director (to be designated as CEO and MD - Designate)	Appointed on March 18, 2021
12	Ms. Avaya Kumar Mohapatra	Nominee Director- Allahabad Bank	Resigned as a Director on June 5, 2020 due to withdrawal of nomination by Allahabad Bank

* November 11, 2014 is the date of appointment of Mr. Padmanabhan Iyer as CFO of the Company. He has also been appointed as an Executive Director on the Board of the Company on May 18, 2016, as an acting CEO on June 7, 2016 and as Managing Director and Global CEO of the Company effective August 11, 2016.

Related Party Transactions

Key management personnel compensation **(Amount in INR Crores)**

Particulars	March 31, 2021	March 31, 2020
Short term employee benefits		
Salaries and other employee benefits to Whole-time directors and executive officers	2.79	3.27
Commission and other benefits to non-executive / independent directors	0.38	0.29
Post-employment benefits	-	-
Long term employee benefits	-	-
Employee share based payment	-	-
	3.17	**3.55**

“The Company had received approval from the Ministry of Corporate Affairs (MCA) for waiver of Rs. 61,54,452/ against a total remuneration of Rs.1,23,08,903/- paid to the Managing Director of the Company for the period from 11/8/2016 to 31/3/2017 with a direction to the Company to recover remaining (excess) remuneration of Rs.61,54,451/-.

The Company had obtained approval from lenders and also from Shareholders at the Annual General Meeting held on September 6, 2017 for the excess remuneration paid to the Managing Director. The Company has obtained a legal opinion from its counsels which states that, upon the enforcement of the amendment to Section 197(10) of the Companies Act 2013, the recovery of the balance remuneration from the Managing Director to the Company in itself, can be said to stand waived and consequently the Managing Director's obligation to refund this amount will also cease to exist. The Board of Directors, on the basis of the opinion and subject to the approval of the Shareholders, if required, have waived the recovery of the excess remuneration vide resolution passed at the Board Meeting held on January 18, 2019.

36. SEGMENT REPORTING

The Group's Chief Operating Decision Maker (CODM) is the Chief Executive Officer and Managing Director. CODM monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the standalone financial statements. Also, the Company's financing (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

A. **For management purposes, the Company is organised into business units based on its products and services and has two reportable segments, as follows:**

IT Solutions

Transaction Services

Year ended March 31, 2021

(Amount in INR Crores)

Particulars	IT Solutions	Transaction Services	Total segments	Adjustments and eliminations	Consolidated
Revenue					
External customers	555.93	52.69	608.62	-	608.62
Inter-segment	-	-	-	-	-
Total revenue	**555.93**	**52.69**	**608.62**	**-**	**608.62**
Income/(Expenses)					
Other material cost	475.88	43.29	519.17	-	519.17
Segment profit	**80.05**	**9.40**	**89.45**	**-**	**89.45**
Total assets					**1485.71**
Total liabilities					**1485.71**

Year ended March 31, 2020

(Amount in INR Crores)

Particulars	IT Solutions	Transaction Services	Total segments	Adjustments and eliminations	Consolidated
Revenue					
External customers	640.57	57.65	698.22	-	698.22
Inter-segment	-	-	-	-	-
Total revenue	**640.57**	**57.65**	**698.22**	**-**	**698.22**
Income/(Expenses)					
Other material cost	551.21	44.69	595.90	-	595.90
Segment profit	**89.36**	**12.96**	**102.32**	**-**	**102.32**
Total assets					**1528.66**
Total liabilities					**1528.66**

Inter-segment revenues are eliminated upon consolidated and reflected in the 'adjustments and eliminations' column. All other adjustments and eliminations are part of detailed reconciliaitons presented further below.

Considering the nature of the Group's Business, the assets and liabilities cannot be identified to any specific business segment.

Adjustments and eliminations

Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a group basis.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.

B. Reconciliations to amounts reflected in financial statements
Reconciliation of profit

(Amount in INR Crores)

Particulars	2020-21	2019-20
Segment profit	89.45	102.32
Inter-segment sales (elimination)	-	-
Finance cost	84.73	90.40
Interest income from investments	-	-
Dividend income from investments	-	-
Depreciation and amortisation expense	15.42	14.16
Impairment of goodwill and other non-current assets	-	-
Foreign Exchange Fluctuation loss/(gain)	(1.99)	7.05
Net loss on financial assets at fair value through profit and loss	-	-

Net gain on sale of investments	-	-
Fair value losses on derivative not designated as hedge	-	-
Employee share based payment expense	-	-
Restructuring costs	-	-
Operating, Selling and Other expenses	124.43	57.70
Un-allocable income	23.59	19.54
Exceptional income	390.38	-
Tax expense	23.06	13.43
Profit after tax	**257.77**	**(60.88)**

Considering the nature of the Group's Business, the assets and liabilities cannot be identified to any specific business segment.

Disclosure of details of secondary Segments, being geographies, are as under: **(Amount in INR Crores)**

Segment Revenue	**2020-21**	**2019-20**
Emerging Markets	269.15	768.71
Developed Markets	339.47	372.61
	608.62	**1,141.32**

Emerging Markets : South Asia, Asia Pacific, Middle East and Africa Geography entities

Developed Markets : U.S. and U.K. Geography entities

Information about major customers

No Single customer represents 10% or more of the group's total revenue for the year ended March 31, 2021 and March 31, 2020.

37. FAIR VALUE MEASUREMENTS **(Amount in INR Crores)**

(i) Financial Instruments by Category

Particulars	**Carrying Amount**		**Fair Value**	
	March 31, 2021	**March 31, 2020**	**March 31, 2021**	**March 31, 2020**
FINANCIAL ASSETS				
Amortised cost				
Trade Receivables	88.26	191.72	88.26	191.72
Cash and Cash Equivalents	675.67	89.53	675.67	89.53
Other Bank Balances	14.92	1.47	14.92	1.47
Loan	-	-	-	-
Other Financial Assets	83.65	219.02	83.65	219.02
FVTPL				
Investment in Equity Instruments	0.16	0.16	0.16	0.16
Total	**862.66**	**501.90**	**862.66**	**501.90**

FINANCIAL LIABILITIES				
Amortised cost				
Borrowings	516.15	765.91	516.15	765.91
Lease Liability	33.68	49.51	33.68	49.51
Trade Payables	55.45	51.19	55.45	51.19
Other financial liabilities	54.90	138.07	54.90	138.07
Total	**660.18**	**1,004.68**	**660.18**	**1,004.68**

The management assessed that the fair value of cash and cash equivalent, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The fair values for loans and security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the Fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of non current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

The fair value of unquoted equity instruments carried at fair value through profit or loss are not materially different from their carrying amount. Hence the impact of fair valuation is considered to be insignificant in the financial statements.

(ii) Fair Value Hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

Assets and liabilities measured at amortised cost and for which fair values are disclosed in the financial statements:

Particulars	**March 31, 2021**			
	Fair value measurement using			
	“Quoted prices in active markets (Level 1)”	**“Significant Observable Inputs (Level 2)”**	**“Significant Unobservable Inputs (Level 3)”**	**Total**
Financial Assets				
Deposits			13	13
Total Financial Assets	-	-	13	13
Financial Liabilities				
Borrowings	-	-	536	536
Total Financial Liabilities	-	-	536	536

Particulars	March 31, 2021			
	Fair value measurement using			
	"Quoted prices in active markets (Level 1)"	"Significant Observable Inputs (Level 2)"	"Significant Unobservable Inputs (Level 3)"	Total
Financial Assets				
Deposits			14	14
Total Financial Assets	-	-	14	14
Financial Liabilities				
Borrowings			853	853
Total Financial Liabilities	-	-	853	853

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

Level 1 - Level 1 hierarchy includes Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity shares and preference shares included in level 3.

(iii) Valuation technique used to determine fair value

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

(iv) Valuation processes

The finance department of the Group includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Managing Director (MD) and the audit committee (AC). Discussions of valuation processes and results are held between the MD, AC and the valuation team at least once every three months, in line with the company's quarterly reporting periods.

38. FINANCIAL RISK MANAGEMENT

The Group is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risk, which may adversely impact the fair value of its financial instruments. The Group has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Group.

[i] Market Risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of the change in market prices. Such changes in the value of financial instruments may result from changes in the foreign currency exchange, interest rates, credit, liquidity and other market changes. The Group's exposure to market risk is primarily on account of foreign currency exchange rate risk.

[i] a) Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rate may have potential impact on the statement of profit and loss and the other comprehensive income and equity ,where any transaction reference more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Group.

Considering the countries and the economic environment in which the Group operates, its operations are subject to risk arising from fluctuations in exchange rates in those countries. The risks primarily relates to fluctuations in US Dollar and Great Britain Pound against the functional currency of the Group.

The Group, as per its current risk management policy, does not use any derivatives instruments to hedge foreign exchange. Further, any movement in the functional currency of the various operations of the Group against major foreign currencies may impact the Group's revenue in international business.

The Group evaluates the impact of the foreign exchange rate fluctuation by assessing its exposure to exchange rate risks. Apart from exposures of foreign currency payables and receivables, which partially are naturally hedged against each other, the Group does not use any hedging instruments to hedge its foreign currency exposures; in line with the current risk management policies.

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rate shift of all the currencies by 10% against the functional currency of the Group.

The following analysis has been worked out based on the net exposures of the Group as on the date of Balance Sheet which could affect the statement of profit and loss and the other comprehensive income and equity.

The following table set forth information relating to foreign currency exposure as at March 31,2021:

(Amount in INR Crores)

	USD	GBP	GBP	Total
Total financial assets	140.17	0.64	0.16	140.97
Total financial liabilities	180.79	0.49	3.72	185.00

1% appreciation/ depreciation of the respective foreign currencies with respect to functional currency of the Group would result in decrease/ increase in the Group's profit before tax by approximately INR 30.31 crores for the year ended March 31,2021.

The following table set forth information relating to foreign currency exposure as at March 31,2020:

(Amount in INR Crores)

	USD	GBP	Total	Total
Total financial assets	307.38	9.23	0.15	316.76
Total financial liabilities	1,150.13	2.10	2.80	1,155.03

1% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Group would result in decrease /increase in the Group 's profit before tax by approximately INR 623.84 crores for the year ended March 31,2020.

[i] b) Interest rate risk

The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market.

[ii] Credit risk

Credit risk is the risk that the counterparty will not meet its obligations leading to a financial loss. Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables and unbilled revenues.

[ii] a) Credit risk management

Trade receivables and Unbilled revenues

Credit risk has always been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables and unbilled revenue. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

Other Financials Assets

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

[ii] b) Credit risk exposure

Trade receivables and Unbilled revenues

The carrying amount of trade receivables and unbilled revenues represents the maximum credit exposure from customers. The maximum exposure to credit risk from customers is INR 159.29 crores (March 31, 2020 INR 430.19 crores). The lifetime expected credit loss on customer balance for the year ended March 31, 2021 is INR 12.93 crores (March 31, 2020: INR 64.68 crores).

(Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Balance at the beginning	64.68	50.18
Impairment loss recognised/reversed	(21.40)	11.24
Amount written off against Trade receivables	(7.38)	2.83
Transfer due to Sale of business	(21.30)	-
Translation differences	(1.68)	0.42
Balance at the end	**12.92**	**64.68**

Other Financial Assets

The carrying amount of cash and cash equivalents, investments carried at amortised cost, deposits with banks and financial institutions and other financial assets represents the maximum credit exposure. The maximum exposure to credit risk is INR 707.31 crores (March 31, 2020: INR 108.57 crores). The 12 months expected credit loss and lifetime expected credit loss on these financial assets for the year ended March 31, 2021 is INR 1.29 crores (March 31, 2020: INR 1.31 crores).

Reconciliation of loss allowance provision - other financial assets

(Amount in INR Crores)

Particulars	March 31, 2021		March 31, 2020	
	12 month expected losses	life-time expected losses	12 month expected losses	life-time expected losses
Balance at the beginning	-	1.31	-	1.38
Add(Less): Changes in loss allowances due to changes in risk parameters	-	(0.02)	-	(0.07)
Balance at the end	**-**	**1.29**	**-**	**1.31**

[iii] Liquidity risks

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company consistently generated sufficient cash flow from operations to meet its financial obligation as and when they fall due.

The table below provides details regarding the contractual maturities of significant financial liabilities as at :

March 31,2021

(Amount in INR Crores)

	Due in 1 year	Due in 1-2 year	Due in 2-5 year	Due after 5 years	Total
Non-derivative financial liabilities:					
Trade and other payables	55.45	-	-	-	55.45
Borrowings including Interest thereon	104.05	25.99	776.38	116.96	1,023.38
Other financial liabilities	8.46	7.83	13.05	4.34	33.68
Other financial liabilities	54.90	-	-	-	54.90
Total	**222.87**	**33.82**	**789.42**	**121.30**	**1,167.41**

March 31,2020

(Amount in INR Crores)

	Due in 1 year	Due in 1-2 year	Due in 2-5 year	Due after 5 years	Total
Non-derivative financial liabilities:					
Trade and other payables	51.19	-	-	-	51.19
Borrowings including Interest thereon	176.64	122.33	245.81	838.45	1,383.23
Lease Liabilities	6.50	5.81	18.30	18.91	49.51
Other financial liabilities	138.07	-	-	-	138.07
Total	**372.40**	**128.14**	**264.10**	**857.36**	**1,622.01**

39. CAPITAL MANAGEMENT

For the purpose of the company's capital management, capital includes issued equity capital, convertible instruments, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

(Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Borrowings	85.64	353.59
Trade payables	55.45	51.19
Other payables	80.10	234.99
Convertible preference shares	430.51	412.32
Less: Cash and Cash equivalents and Other Bank Balances	(690.59)	(91.00)
Net Debt	**(38.89)**	**961.09**
Equity Share Capital	1,616.65	1,616.65
Other Equity	(863.76)	(1,225.18)
Total Equity	**752.89**	**391.47**
Capital and net debt	**714.00**	**1,352.56**
Gearing ratio	**(5.45)**	**71.06**

40. ASSETS PLEDGED AS SECURITY

The carrying amount of assets pledged as security for current and non current borrowings are:

(Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
CURRENT ASSETS		
i. Financial Assets		
Trade Receivable	88.26	191.72
Cash and cash equivalents	675.67	89.53
Bank Balances Other than above	14.92	1.47
Other Financial Assets	**71.55**	**207.54**
ii. Non Financial Assets		
First Charge		
Inventories	-	-
Other Current Assets (excluding Prepaid Expenses)	105.71	19.79
Total current assets pledged as security	956.11	510.05
NON CURRENT ASSETS		
Land - Leasehold	-	0.35
Building - Leasehold	48.73	124.93
Plants and equipments	0.34	0.47
Furniture and Fixtures	0.29	1.38
Vehicle	-	0.41

Office Equipments	0.91	1.99
Computer Hardware	3.26	7.75
Intangible Assets	**0.01**	**230.58**
Total non current assets pledged as security	**53.54**	**367.87**

41. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(Amount in INR Crores)

The following table presents the recognised financial instruments that are offset and other agreements but not offset, as at March 31, 2021 and March 31, 2020.

The column 'net amount' shows the impact on the company's balance sheet if all set-off rights were exercised.

Particulars	Effects of offsetting on the balance sheet			Related amounts not offset	
	Gross amount	Gross amounts set off in the balance sheet	Net amount presented in the balance sheet	Financial instruments collateral	Net amount
March 31, 2021					
Financial assets					
Cash and cash equivalents	675.67		675.67	(675.67)	-
Bank Balances Other than above	14.92		14.92	(14.92)	-
Trade receivables	88.26	-	88.26	(88.26)	-
Other financial assets	72.25	(0.70)	71.55	(71.55)	-
Total	851.09	(0.70)	850.40	(850.40)	-
Financial liabilities					
Trade payables	54.75	0.70	55.45	-	55.45
Borrowings	516.15	-	516.15	(850.40)	(334.24)
Other Financial Liabilities	54.90	-	54.90	-	54.90
Total	625.80	0.70	626.50	(850.40)	(223.89)
March 31, 2020					
Financial assets					
Cash and cash equivalents	89.53	-	89.53	(89.53)	-
Bank Balances Other than above	1.47	-	1.47	(1.47)	-
Trade receivables	192.95	(1.22)	191.73	(191.73)	-
Other financial assets	207.86	(0.33)	207.53	(207.53)	-
Total	491.81	(1.55)	490.26	(490.26)	-
Financial liabilities					
Trade payables	30.05	(1.55)	28.50	-	28.50
Borrowings	765.91	-	765.91	(490.26)	275.66
Other Financial Liabilities	160.74	-	160.74	-	160.74
Total	956.70	(1.55)	955.15	(490.26)	464.90

42. LEASES

The changes in the carrying value of ROU assets for the year ended March 31, 2021 are as follows :

(Amount in INR Crores)

Particulars	Category of ROU Asset (Building)	
	March 31, 2021	March 31, 2020
Balance as at April 1, 2020	46.15	46.61
Reclassified on account of adoption of Ind AS 116 (Refer to Note 2(i))	-	-
Additions	14.26	14.14
Deletion	(19.54)	(4.47)
Depreciation	(11.68)	(10.12)
Translation difference	0.12	-
Balance as at March 31, 2021	**29.31**	**46.15**

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

The break-up of current and non-current lease liabilities as at March 31, 2021 is as follows:

(Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Current Lease Liabilities	8.48	6.50
Non-Current Lease Liabilities	25.20	43.01
Total	33.68	49.51

The movement in lease liabilities during the year ended March 31, 2021 is as follows:(Amount in INR Crores)

Particulars	March 31, 2021	March 31, 2020
Balance at the beginning	49.51	49.88
Additions	14.82	14.14
Finance cost accrued during the period	5.21	4.16
Deletions	(21.81)	(5.53)
Payment of lease liabilities	(14.26)	(13.10)
Translation difference	0.21	0.03
Balance at the end	33.68	49.51

The details of the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis are as follows: **(Amount in INR Crores)**

Particulars	March 31, 2021	March 31, 2020
Less than one year	15.05	10.83
One to two years	13.59	42.88
Two to five years	35.53	-
More than five years	7.55	14.70
Total	**71.72**	**68.40**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was INR 2.57 crores for the year ended March 31, 2021.

Rental income on assets given on operating lease to subsidiaries was INR nil crores for the year ended March 31, 2021.

The movement in the net investment in sublease in ROU asset during the year ended March 31, 2021 is as follows : **(Amount in INR Crores)**

Particulars	March 31, 2021	March 31, 2020
Balance at the beginning of the period	1.17	0.21
Interest income accrued during the period	0.08	0.01
Lease receipts	(0.26)	(0.25)
Translation difference	-	0.04
Balance at the end of the period	(0.99)	-

The details of the contractual maturities of net investment in sublease of ROU asset as at March 31, 2021 on an undiscounted basis are as follows :

Particulars	March 31, 2021	March 31, 2020
Less than one year	-	-
One to five years	-	-
More than five years	-	-
Total	-	-

43. The accounts of certain Trade Receivables, Trade Payables, Loans and Advances and Banks are however, subject to formal confirmations/reconciliations and consequent adjustments, if any. However, the management does not expect any material difference affecting the current year's financial statements on such reconciliation/adjustments.

44. The books of accounts of 3i Infotech Saudi Arabia LLC reflect debit balances /credit balances net amounting to INR 4.22 crores. This net difference represents entries passed in previous financial years in various accounts based on local accounting and compliance requirements which has not been incorporated in the above consolidated results. The Company is in the process of reconciling the differences.

45. Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues, goodwill and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future performance of the Group. The Group has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered.

46. Previous year's figures have been regrouped / rearranged wherever necessary to conform to the current year's presentation.

For and on behalf of the board

Thompson Gnanam
Managing Director and Global CEO
(DIN: 07865431)

Mrinal Ghosh
Chief Financial Officer

Zohra Chatterji
Director
(DIN: 01382511)

Rajeev Limaye
Company Secretary
(M. No. A17168)

Navi Mumbai
Date: May 17, 2021

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021

USD million

Particulars	March 31, 2021	March 31, 2020
ASSETS		
Non-Current Assets	14.82	14.14
(a) Property, Plant and Equipment	7.42	18.59
(b) Right-To-Use Asset	4.00	6.17
(b) Goodwill	41.52	58.21
(c) Other Intangible Assets	0.00	30.85
(d) Financial Assets		
(i) Investments	0.02	0.02
(ii) Other Financial Assets	1.65	1.54
(e) Deferred Tax Asset (Net)	0.22	0.52
(f)Income Tax Asset	13.03	17.62
(g) Other Non-Current Assets	1.39	1.59
Total Non Current Assets	**69.25**	**135.10**
Current assets		
(a) Inventories	-	-
(b) Financial Assets		
(i) Investments	-	-
(ii) Trade Receivables	12.05	25.65
(iii) Cash and Cash Equivalents	92.27	11.98
(iv) Bank Balances Other than (iii) above	2.04	0.20
(v) Loans	-	-
(vi) Other Financial Assets	9.77	27.77
(c) Other Current Assets	5.11	3.82
Total Current Assets	**121.23**	**69.42**
Non-Current Assets classified as held for sale	12.40	-
Total Asset	**202.88**	**204.52**
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share capital	220.76	216.29
(b) Other Equity	(117.95)	(163.92)
Equity attributable to equity holders of the parent	**102.81**	**52.38**
Non Controlling Interest	-	-
Total Equity	**102.81**	**52.38**
Liabilities		
Non Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	70.48	102.47
(ii) Lease Liabilities	3.44	5.75
(b) Provisions	2.19	2.62
Total Non Current Liabilities	**76.11**	**110.85**
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	-	-
(ii) Lease Liabilities	1.16	0.87
(iii) Trade Payables	7.57	6.85
(iv) Other Financial Liabilities	7.50	18.47
(b) Other Current Liabilities	3.44	12.97
(c) Provisions	0.25	0.33
(d) Current Tax Liabilities (Net)	1.85	1.81
Total Current Liabilities	**21.77**	**41.29**
Liabilities directly associated with non-current assets classified as held for sale	2.19	-
TOTAL	**202.88**	**204.52**

Note: The above Balance Sheet is just the conversion of Consolidated Balance Sheet of 3i Infotech Limited (prepared as per IndAS) Amount in INR Crores. The conversion has been done at exchange rate of INR 73.229756 for the year ended March 31,2021 and INR 74.743396 for the year ended March 31, 2020.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

USD million

Particulars	2020-21	2019-20
REVENUE		
Revenue from operations (net)	82.22	98.65
Other income	3.19	2.76
Total Revenue (I + II)	**85.41**	**101.41**
EXPENSES		
Employee benefits expense	67.06	65.82
Cost of third party products and services	7.71	18.81
Finance costs	11.45	12.77
Depreciation and amortization expense	2.08	2.00
Other expenses	11.91	8.71
Total Expenses	**100.21**	**108.12**
Profit/(loss) before exceptional items and tax from continuing operations (III - IV)	**(14.80)**	**(6.70)**
Exceptional Items	52.74	-
Profit/(loss) before tax for the year (III- IV)	**37.94**	**(6.70)**
Tax expense		
Current tax	2.70	1.94
Adjustment of tax relating to earlier periods	0.03	(0.01)
Deferred tax	0.38	(0.03)
Profit/(loss) for the year (V - VI)	**34.82**	**(8.60)**
DISCONTINUED OPERATIONS		
Profit/(loss) before tax for the year from discontinued operations	18.02	18.21
Tax Income/(expense) of discontinued operations	-	-
Profit/(loss) for the period from discontinued operations	18.02	18.21
Profit/(loss) for the year	**52.84**	**9.61**
OTHER COMPREHENSIVE INCOME		
A. Other Comprehensive income not to be reclassified to profit and loss in subsequent periods:		
Remeasurement of gains (losses) on defined benefit plans	(0.60)	0.43
Income tax effect	0.06	(0.01)
B. Other Comprehensive income to be reclassified to profit and loss in subsequent periods:	-	-
Other Comprehensive income for the year, net of tax	(0.54)	0.42
TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	52.31	10.03
Total comprehensive income for the year, net of tax attributable to:		
Profit for the year attributable to:		
Equity holders of the parent	52.84	(8.66)
Non-controlling interests	-	0.06
Other comprehensive income for the year attributable to:		
Equity holders of the parent	(0.54)	0.42
Non-controlling interests	-	-
Total comprehensive income for the year attributable to:		
Equity holders of the parent	52.31	9.97
Non-controlling interests	-	0.06

Note:
The above statement of Profit & Loss is just the conversion of Consolidated Statement of Profit & Loss of 3i Infotech Limited (prepared as per IndAS) amount in INR Crores. The conversion has been done at exchange rate of INR 74.022765 for the year ended March 31,2021 and INR 70.77698 for the year ended March 31, 2020.

STATEMENT PURSUANT TO FIRST PROVISO TO SUB-SECTION (3) OF SECTION 129 OF THE COMPANIES ACT 2013 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014 IN THE PRESCRIBED FORM AOC-1 RELATING TO SUBSIDIARY COMPANIES / JOINT VENTURE

SN	Name of Entities	**Financial year of Entities ended on**	**Extent of interest of 3i Infotech Limited in the capital of the Entity**
1	3i Infotech Holdings Private Limited	March 31, 2021	100%
2	3i Infotech (Africa) Limited	March 31, 2021	@100%
3	3i Infotech (Middle East) FZ LLC	March 31, 2021	$100%
4	3i Infotech (Thailand) Limited	March 31, 2021	*100%
5	3i Infotech (UK) Limited	March 31, 2021	100%
6	3i Infotech (Western Europe) Group Limited	March 31, 2021	$$100%
7	3i Infotech (Western Europe) Holdings Limited	March 31, 2021	##100%
8	Rhyme Systems Limited	March 31, 2021	*$100%
9	3i Infotech Asia Pacific Pte Limited	March 31, 2021	100%
10	3i Infotech Inc	March 31, 2021	$100%
11	3i Infotech Saudi Arabia LLC	March 31, 2021	100%
12	3i Infotech SDN BHD	March 31, 2021	*100%
13	3i Infotech (Cyprus) Limited (formerly known as Black-Barret Holdings Limited)	March 31, 2021	$100%
14	3i Infotech Services SDN BHD	March 31, 2021	*100%
15	Elegon Infotech Limited	March 31, 2021	100%
16	3i Infotech (South Africa) (Pty) Limited	March 31, 2021	$100%
17	Professional Access Software Development Private Limited	March 31, 2021	#100%
18	3i Infotech BPO Limited	March 31, 2021	100%
19	3i Infotech Consultancy Services Limited	March 31, 2021	100%
20	3i Infotech Software Solutions LLC	March 31, 2021	$100%
21	3i Infotech (Canada) Inc.	March 31, 2021	$100%
22	3i Infotech Nigeria Limited	March 31, 2021	$100%
23	3i Infotech Netherlands B.V.	March 31, 2021	$100%
24	Process Central Limited++(Nigeria)	March 31, 2021	@47.50%

$ Held by 3i Infotech Holdings Private Limited (Mauritius)
* Held by 3i Infotech Asia Pacific Pte Ltd (Singapore)
\# Held by 3i Infotech (Cyprus) Limited (formerly known as Black-Barret Holdings Limited)
##Held by 3i Infotech (UK) Limited (UK)
$$Held by 3i Infotech (Western Europe) Holdings Limited (UK)
*$ Held by 3i Infotech (Western Europe) Group Limited (UK)
@ Held by 3i Infotech (Middle East) FZLLC (UAE)
++ Joint Venture of 3i Infotech (Middle East) FZ LLC with Soft Solutions Ltd, Skye Bank PLC and Unity Bank PLC

STATEMENT PURSUANT TO FIRST PROVISO TO SUB-SECTION (3) OF SECTION 129 OF THE COMPANIES ACT 2013, READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES , 2014 IN THE PRESCRIBED FORM AOC-1 RELATING TO SUBSIDIARY COMPANIES / JOINT VENTURE (PART A & PART B)

SN	Entity	Country of Incorporation	Reporting Currency	Exchange Rate	% of Shareholdings	Issued and Subscribed Share Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before Tax	Provision for Taxation	Profit / (Loss) after Tax	Proposed Dividend
1	3i Infotech Inc (USA)	USA	USD	73.23	100%	391.70	(589.50)	109.85	109.85	-	335.21	(33.79)	(0.99)	(34.78)	-
2	3i Infotech Holdings Private Limited (Mauritius)	Mauritius	USD	73.23	100%	1,600.46	(682.40)	1,592.88	1,592.88	1,592.85	-	(21.16)	(0.03)	(21.19)	-
3	3i Infotech (Africa) Limited (Kenya)	Kenya	KES	0.66	100%	0.01	(45.87)	1.73	1.73	-	-	(0.85)	(0.02)	(0.87)	-
4	Black-Barret Holdings Limited (Cyprus)	Cyprus	USD	73.23	100%	0.02	(1.26)	0.07	0.07	-	-	(0.10)	-	(0.10)	-
5	Professional Access Software Development Pvt Limited (India)	India	INR	1.00	100%	0.86	0.30	2.73	2.73	-	-	0.00	-	0.00	-
6	3i Infotech Asia Pacific Pte. Ltd. (Singapore)	Singapore	SGD	54.42	100%	29.10	(4.27)	3.38	3.38	-	8.53	(14.67)	-	(14.67)	-
7	3i Infotech SDN BHD (Malaysia)	Malaysia	MYR	17.64	100%	8.82	44.09	7.69	7.69	-	3.19	(11.11)	(2.54)	(13.66)	-
8	3i Infotech (Thailand) Limited (Thailand)	Thailand	THB	2.34	100%	2.34	(3.55)	38.64	38.64	-	14.23	(6.80)	(0.35)	(7.14)	-
9	3i Infotech Services SDN BHD (Malaysia)	Malaysia	MYR	17.64	100%	(0.98)	(0.98)	-	-	-	-	(0.00)	-	(0.00)	-
10	3i Infotech (Middle East) FZ LLC (UAE)	UAE	AED	19.93	100%	92.04	(44.81)	17.51	17.51	-	41.11	(22.39)	(0.94)	(23.34)	-
11	3i Infotech (UK) Limited (UK)	UK	GBP	100.81	100%	32.52	(35.36)	0.85	0.85	-	0.66	(7.37)	(0.35)	(7.71)	-
12	3i Infotech (Western Europe) Holdings Limited (UK)	UK	GBP	100.81	100%	19.68	(13.10)	73.78	73.78	19.56	-	-	-	-	-
13	3i Infotech (Western Europe) Group Limited (UK)	UK	GBP	100.81	100%	19.56	(160.51)	(84.35)	(84.35)	-	-	-	-	-	-
14	Rhyme Systems Limited (UK)	UK	GBP	100.81	100%	2.02	0.36	2.37	2.37	-	-	-	-	-	-
15	3i Infotech BPO Limited (India)	India	INR	1.00	100%	0.10	43.15	18.17	18.17	-	43.33	4.78	(1.73)	3.05	-
16	3i Infotech Saudi Arabia LLC (Kingdom of Saudi Arabia)	Kingdom of Saudi Arabia	SAR	19.52	100%	0.98	(58.57)	41.18	41.18	-	13.15	(11.87)	(14.87)	(26.74)	-
17	3i Infotech Consultancy Services Limited (India)	India	INR	1.00	100%	4.81	18.95	7.09	7.09	-	62.98	3.33	(0.80)	2.53	-
18	Elegon Infotech Ltd. (China)	China	CNY	11.16	100%	195.64	(195.64)	-	-	-	-	(0.00)	-	(0.00)	-
19	3i infotech South Africa (PTY) Ltd.	Republic of South Africa	ZAR	4.94	100%	0.00	(0.56)	0.14	0.14	-	-	0.11	-	0.11	-
20	Process Central Limited (Nigeria) - Joint Venture	Nigeria	NGN	0.19	47.5%	0.25	(0.24)	0.05	0.05	-	-	0.00	-	0.00	-
21	3i Infotech Nigeria Limited (Nigeria)	Nigeria	NGN	0.19	100%	0.20	(0.98)	4.75	4.75	-	1.13	1.27	(0.13)	1.14	-
22	3i Infotech Netherlands B.V.	Netherlands	EUR	85.88	100%	0.00	(0.64)	0.07	0.07	-	-	(2.04)	-	(2.04)	-
23	3i Infotech (Canada) Inc.	Canada	USD	73.23	100%	-	-	0.16	0.16	-	-	(1.11)	-	(1.11)	-
24	3i Infotech Software Solutions LLC	UAE	AED	19.93	100%	0.60	(0.12)	12.35	12.35	-	7.27	(0.76)	-	(0.76)	-

Thompson Gnanam	Mrinal Ghosh	Zohra Chatterji	Rajeev Limaye
Managing Director and Global CEO	Chief Financial Officer	Director	Company Secretary
(DIN: 07865431)		(DIN: 01382511)	(M. No. A17168)

Navi Mumbai

Date: May 17, 2021

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Standalone Financial Statements

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF 3I INFOTECH LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **3I INFOTECH LIMITED** ("*the Company*") which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "the Standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr.No.	Key Audit Matter	How was the matter addressed in our audit
1	**<u>Revenue recognition – Fixed price development contracts</u>** The Company inter alia engages in Fixed-price development contracts, where, revenue is recognized using the percentage of completion computed as per the input method based on management's estimate of contract costs (Refer Note 2(d) and Note 20 to the standalone financial statements) We identified revenue recognition of fixed price development contracts as a KAM considering – • There is an inherent risk around the accuracy of revenues given the customized and complex nature of these contracts and significant involvement of IT systems; • Application of revenue recognition accounting standard is complex and involves a number of key judgments and estimates including estimating the future cost-to-completion of these contracts, which is used to determine the percentage of completion of the relevant performance obligation; • These contracts may involve onerous obligations on the Company that require critical estimates to be made by management; and • At year-end a significant amount of work in progress (Contract assets and liabilities) related to these contracts is recognised on the balance sheet.	**<u>Principal Audit Procedures:</u>** Our audit procedures on revenue recognized from fixed price development contracts included: • Obtaining an understanding of the systems, processes and controls implemented by management for recording and calculating revenue and the associated contract assets, unearned and deferred revenue balances. • On selected samples of contracts, we tested that the revenue recognized is in accordance with the accounting standard by– – Evaluating the identification of performance obligation; – Testing management's calculation of the estimation of contract cost and onerous obligation, if any. We: ? Observed that the estimates of cost to complete were reviewed and approved by appropriate levels of management; ? Performed a retrospective review of costs incurred with estimated costs to identify significant variations and verify whether those variations have been considered in estimating the remaining costs to complete the contract; ? Assessed the appropriateness of work in progress (contract assets) on balance sheet by evaluating the underlying documentation to identify possible delays in achieving milestones which may require change in estimated costs to complete the remaining performance obligations; and ? Performed test of details including analytics to determine reasonableness of contract costs.

2	**<u>Evaluation of uncertain tax position and contingent liability</u>** The Company is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business including transfer pricing and direct and indirect tax matters. These involve significant management judgment to determine the possible outcome of the uncertain tax positions, consequently having an impact on related accounting and disclosures in the standalone Ind AS financial statements. Refer Notes 2(t) and 31 to the standalone financial statements.	**<u>Principal Audit Procedures:</u>** Our audit procedures include the following substantive procedures: • Obtained understanding of key uncertain tax positions; and • We along with our internal tax experts- – Read and analysed select key correspondences, external legal opinions / consultations by management for key uncertain tax positions; – Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions; and – Assessed management's estimate of the possible outcome of the disputed cases;

3	**<u>Assessment of impairment on investment in subsidiaries</u> and <u>Joint Ventures</u>** As described in note 5 to the standalone financial statements, the carrying amount of investments in subsidiaries and joint ventures recorded in the separate financial statements is Rs.1,219.86 crores (net of impairment) as of March 31, 2021. The Company recognized impairment loss on investments in subsidiaries and joint ventures amounted to Rs.1,146.85 Crores in previous years. The Company identifies whether an impairment indication occurs every year and performs impairment test over investments in subsidiaries, and joint venture compares the carrying amount with the greater of the calculated value-in-use and fair value used to determine whether it is impaired. In estimating the value-in-use, management's judgment is involved in determining the key assumptions such as sales growth rate, gross profit margin, net profit margin, cash flows, discount rate and terminal growth rate that have a significant impact on the estimated value-in-use. Considering significant degree of judgment in estimating value-in-use and likelihood of management bias, we identified assessment of impairment on investments in subsidiaries and joint ventures as a key audit matter.	**<u>Principal Audit Procedures:</u>** We understood, evaluated and validated management's key controls over the impairment assessment process. • We compared the methodology used (value-in-use calculations based on future discounted cash flows) by the Company to market practice. • We obtained management's future cash flow forecasts, tested the mathematical accuracy of the underlying value-in-use calculations and compared the same to the approved budget and future forecasts. We also compared historical actual results to those budgeted to assess the quality of management's forecasts. • We also assessed the reasonableness of key assumptions used in the calculations, comprising sales growth rates, gross profit margin, net profit margin, perpetual growth rate and discount rates. When assessing these key assumptions, we discussed them with management to understand and evaluate management's basis for determining the assumptions, and compared them to external industry outlook reports and economic growth forecasts from a number of sources. • We also obtained from management valuation report from external valuation expert. • We obtained and tested management's sensitivity analysis around the key assumptions, to ascertain that selected adverse changes to key assumptions, both individually and in aggregate, would not cause the carrying amount of investment to exceed the recoverable amount. • We evaluated management's assessment on whether any events or change in circumstances indicate there may be a change in the expected useful lives of intangible assets. • We found the Company's estimates and judgments used in the impairment assessment and useful life to be supported by the available evidence.

Emphasis of Matter

We draw attention to Note No 43 of the Standalone Ind AS financial statements, which relates to differences in balances with the subsidiary 3i Infotech Saudi Arabia LLC amounting to INR 74.05 crores, relating to various previous financial years, for which the company is in the process of passing the entries and eliminating the differences.

Our Opinion is not modified in respect of this matter

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholders information, but does not include the standalone Ind AS financial statements and our auditor's report thereon. The above stated reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, including total comprehensive income, changes in equity and cash flows of the Company in accordance with the standalone Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone Ind AS financial statements that individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone Ind AS financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, based on our audit we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Standalone Ind AS financial statements have been kept by the Company so far as it appears from our examination of those books.
   c) The company has a branch office, although no separate books of accounts are prepared by the Branch and hence section 143(8) does not apply to the company.
   d) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
   e) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.In our opinion, there are no financial transactions or matters which have any adverse effect on the functioning of the company
   f) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
   i) There is no adverse remark relating to the maintenance of accounts and other matters connected therewith.
   j) With respect to adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.**
   k) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
      (i) The Company has disclosed the impact of pending litigations on its financial position as referred to Note 31 to the Standalone Ind AS financial statement.
      (ii) The Company has made provision, as required under the applicable law or accounting standard, for material foreseeable losses if any, on long term contracts.
      (iv) There has been no delay in transferring amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
   l) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For GMJ & Co
Chartered Accountants
FRN: 103429W
CA Sanjeev Maheshwari
Partner
M. No.: 038755
UDIN: 21038755AAAACH3020
Place : Mumbai
Date : May 17, 2021

Re: 3I INFOTECH LIMITED

Annexure 'A' to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of "The Company" of even date)

i. In respect of the company's Property, plant and equipment:

   a. The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.

   b. During the year, the Company in accordance to a phased programme has physically verified Furniture & Fixtures, Office equipment, Plant & Machinery and Computers, which in our opinion is reasonable, considering the size of the company and the nature of its assets. No material discrepancies were noticed on such physical verification.

   c. Based on the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company, except in respect of immovable properties of Land & Building that have been taken on lease and disclosed as fixed assets in Note No.3 to the Standalone and Ind AS financial statements, title deeds of the same are in erstwhile name of the company.

ii As the Company is a service company, primarily rendering software services. Accordingly, it does not hold any physical inventories during the year. Accordingly, paragraph 3(ii) of the Order is not applicable to the Company.

iii. The Company has granted loans (taking over of lenders liability of wholly owned subsidiary in terms of DRS Scheme) to a body corporate covered in the register maintained under section 189 of the companies act 2013 which are outstanding as on the date of financial statements.

   a. During the year, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii)(a) of the order is not applicable.

   b. In respect of existing loans outstanding, the schedule of repayment of principal and interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and also regular in payment of interest.

   c. In respect of existing loans outstanding as on March 31, 2021, there is no amount which was overdue during the year.

iv. In our opinion and according to the information and explanations given to us, the Company has not advanced any loan, provided guarantee and security covered in Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act to the extent applicable, with respect to the loans and investments made, guarantees given and security provided.

v. The Company has not accepted deposits from public within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed there under.

vi. The Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Companies Act 2013, for any of the services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable.

vii. a) According to the information and explanations given to us and on the basis of examination of records, the Company has generally been regular in depositing amounts deducted/ accrued in respect of undisputed statutory dues including provident fund, Employees' State insurance, income tax, goods and service tax , duty of customs, cess and other material statutory dues applicable to it with the appropriate authorities.

According to the information and explanations given to us and on the basis of examination of records of the Company, no undisputed amounts payable in respect of provident fund, Employees' State insurance, income tax, goods and service tax, duty of customs, cess and other material statutory dues were in arrears as at March 31, 2021 for a period more than six months from the date they became payable except as mentioned below.

Particulars	Amount
Professional Tax	2,450
Maharashtra Labour Welfare Fund	3,292

b) According to the books of accounts and records as produced and examined by us in accordance with the generally accepted auditing practices in India, as at March 31,2021, the following are the particulars of the dues that have not been deposited on the account of dispute.

(Amount in INR Crores)

Name of Statute	Nature of Demand	Period to which amount Relates	Amount of Dispute	Amount Paid / Adjusted	Amount Unpaid	Forum where dispute is pending
MVAT Act,2002	Sales Tax	Assessment Order u/s 23 of MVAT 2002.	0.50	-	0.50	Sales Tax Officer
AP VAT Act,2005	Sales Tax	Financial Year 2009-10 and 2010-11	0.68	-	0.68	Appellate deputy Commissioner

Income Tax Act 1961	Income Tax	Assessment Year 2004-05	1.00	-	1.00	Commissioner of Income Tax-(Appeals)
Income Tax Act 1961	Income Tax	Assessment year 2007-08	25.25	25.25	-	Income Tax Appellate Tribunal
		Assessment year 2007-08	5.64	5.64		Income Tax Appellate Tribunal
		Assessment year 2007-08	2.83	-	2.83	Income Tax Appellate Tribunal
		Assessment year 2006-07	0.18	-	0.18	
		Assessment year 2006-07	0.18	-	0.18	
Finance Act, 1994	Service Tax	FY 04-05 to FY 10-11	178.49	-	178.49	Supreme Court
		FY 2012-13	1.58	0.12	1.46	Commissioner (Appeal)
		FY 2014-15 & 2016-17	1.81	-	1.81	Additional Commissioner of GST & C. Ex
		Financial Year 2004-05 & 2005-06	0.16	0.03	0.13	Commissioner of Service Tax

viii. As per clause 3.4 of the Supplement Restructuring Agreement in terms of DRS to the Master Restructuring Agreement dated 30th March, 2012 with the lenders and as per the revised terms of the Foreign Currency Convertible Bonds (FCCB), there is no default in repayment of dues to the banks, financial institutions and debenture holders.

ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year or in the recent past. Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.

xi. According to the information and explanations given to us and based on our examination of the records, during the year the Company has paid managerial remuneration as per the limits prescribed under Section 197 of the Act.

xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.

xiii. According to information and explanations given us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by Ind AS 24, Related Party Disclosures specified under section 133 of the Act read with the relevant rules issued thereunder. Refer Note 32 to the standalone Ind AS financial statements.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, the provisions of clause 3(xiv) of the Order are not applicable to the Company.

xv. According to information and explanations given to us and based on our examination of records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly paragraph 3 (xvi) of the Order is not applicable.

For **GMJ & Co**
Chartered Accountants
FRN: 103429W
CA Sanjeev Maheshwari
Partner
M. No.: 038755
UDIN: 21038755AAAACH3020
Place : Mumbai
Date : May 17,2021

Re: 3I INFOTECH LIMITED

Annexure – 'B' to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of 3i Infotech Limited of even date)
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to in paragraph 2(i) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of 3i Infotech Limited of even date)

We have audited the internal financial controls over financial reporting of "**3i infotech Limited**" ("the Company") as of March 31, 2021 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2)provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31,2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For GMJ & Co
Chartered Accountants
FRN: 103429W
CA Sanjeev Maheshwari
Partner
M. No.: 038755
UDIN: 21038755AAAACH3020
Place : Mumbai
Date : May 17,2021

STANDALONE BALANCE SHEET AS AT MARCH 31, 2021

(Amount in INR Crore)

Particulars	Notes	March 31, 2021	March 31, 2020
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	3	53.79	138.02
(b) Right-To-Use Assets	0	24.55	44.58
(c) Other Intangible Assets	4	0.00	224.07
(d) Financial Assets			
(i) Investments	5	1,219.86	1,199.84
(iii) Loans	5	40.83	40.83
(iv) Other Financial Assets	5	10.03	10.73
(e) Deferred Tax Asset (Net)	10	-	-
(f) Income Tax Asset (Net)		88.76	112.29
(g) Other Non-Current Assets	9	2.66	5.09
		1,440.47	**1,775.45**
Current assets			
(a) Inventories			-
(b) Financial Assets			
(ii) Trade Receivables	6	423.96	653.04
(iii) Cash and Cash Equivalents	7	637.53	67.24
(iv) Bank Balances Other than (iii) above	8	0.00	0.00
(v) Loans	5	-	-
(vi) Other Financial Assets	5	50.90	69.93
(c) Other Current Assets	9	10.19	10.61
		1,122.58	**800.82**
TOTAL		**2,563.05**	**2,576.27**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	11	1,616.65	1,616.65
(b) Other Equity	12	(784.68)	(1,083.34)
		831.97	533.31
Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	521.55	739.61
(ii) Lease Liabilities (IndAS116)	19	21.00	42.54
(iii) Other Financial Liabilities	15	5.00	5.00
(b) Provisions	18	11.21	15.37
		558.76	802.52
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	12.81	13.08
(ii) Lease Liabilities (IndAS116)	19	6.41	5.31
(iii) Trade Payables	16		
Micro, Small and Medium Enterprises		3.12	0.53
Others		49.94	41.81
(iv) Other Financial Liabilities	15	1,091.61	1,165.00
(b) Other Current Liabilities	17	7.28	12.93
(c) Provisions	18	1.16	1.78
		1,172.33	1,240.44
TOTAL		**2,563.05**	**2,576.27**

Significant Accounting Policies and Notes forming part of the Financial Statements 1 to 45

As per our report of even date attached
For GMJ & CO
Chartered Accountants
F.R.No. 103429W

For and on behalf of the board

Sd/-
Thompson Gnanam
Managing Director and Global CEO
(DIN: 07865431)

Sd/-
Zohra Chatterji
Director
(DIN: 01382511)

Sd/-
S. Maheshwari
Partner
M.No.: 038755
UDIN: 21038755AAAACH3020

Sd/-
Mrinal Ghosh
Chief Financial Officer

Sd/-
Rajeev Limaye
Company Secretary
(M.No.: A17168)

Navi Mumbai
Date: May 17, 2021

Navi Mumbai
Date: May 17, 2021

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2021

(Amount in INR Crore)

Particulars	Notes	FTY 2020-21	FTY 2019-20
REVENUE			
Revenue from operations (net)	20	207.77	197.46
Other income	21	42.65	103.02
Total Revenue (I)		250.42	300.48
EXPENSES			
Employee benefits expense	23	88.41	73.67
Cost of third party products and services	22	54.41	51.33
Finance costs	24	82.89	86.62
Depreciation and amortization expense	25	12.81	16.31
Other expenses	26	48.22	16.88
Total Expenses (II)		286.74	244.81
Profit/(loss) before exceptional items and tax from continuing operations (I-II)		(36.32)	55.68
Exceptional Items			-
Gain or Loss on Sale of Business		128.06	
Gain or Loss on Sale of IPR		132.33	
Gain or Loss on Loan Settlement		30.12	
Total Exceptional Items		290.51	
Profit/(loss) before tax from continuing operations		254.19	55.68
Tax expense:			
Current tax		-	-
Adjustment of tax relating to earlier periods		0.15	0.07
Deferred tax		-	-
Profit/(loss) for the period from continuing operations		254.05	55.61
Profit/(loss) for the period from discontinuing operations		70.37	72.29
Profit/(loss) for the period		324.41	127.89
OTHER COMPREHENSIVE INCOME			
A. Other Comprehensive income not to be reclassified to profit and loss in subsequent periods:			
Re measurement of gains (losses) on defined benefit plans		(2.80)	1.41
Income tax effect		-	-
B. Other Comprehensive income to be reclassified to profit and loss in subsequent periods:			
Other Comprehensive income for the year, net of tax		(2.80)	1.41
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		321.61	129.30
Earnings per share for profit from continuing operations attributable to equity shareholders	28		
Basic EPS		2.01	0.79
Diluted EPS		2.01	0.79
Weighted Average number of Shares		1,61,66,54,866	1,61,66,45,355

Significant Accounting Policies and Notes forming part of the Financial Statements 1 to 45

As per our report of even date attached
For GMJ & CO
Chartered Accountants
F.R.No. 103429W

For and on behalf of the board

Sd/-
Thompson Gnanam
Managing Director and Global CEO
(DIN: 07865431)

Sd/-
Zohra Chatterji
Director
(DIN: 01382511)

Sd/-
S. Maheshwari
Partner
M.No.: 038755
UDIN: 21038755AAAACH3020

Sd/-
Mrinal Ghosh
Chief Financial Officer

Sd/-
Rajeev Limaye
Company Secretary
(M.No.: A17168)

Navi Mumbai
Date: May 17, 2021

Navi Mumbai
Date: May 17, 2021

STANDALONE STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED MARCH 31, 2021

(Amount in INR CR)

Particulars	Notes	FY 2020-21	2019-20
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit/(Loss) before income tax from:			
Continuing operations		254.19	127.96
Discontinued operations		70.37	
Profit before income tax including discontinued operations		**324.56**	**127.96**
Adjustments for:			
Depreciation and amortisation expense		17.07	16.31
Employee share-based payment expense		1.91	3.31
Gain or Loss on Loan Settlement		(30.12)	-
Allowance for doubtful debts		0.91	(2.97)
Gain or Loss on Sale of Business		(128.06)	-
Gain or Loss on Sale of IPR		(132.33)	-
Net gain on disposal of property, plant and equipment		-	(0.01)
(Gain)/Loss on the sale of Investments (IGAAP)		-	(0.20)
(Gain)/Loss on the sale of Investments (IndAS)		-	2.34
(Gain)/Loss on modification of leased assets (IndAS116)		(2.89)	(0.12)
Guarantee Commission Income		(0.52)	(0.78)
Interest Income on Financial Assets at Amortised Cost		(22.02)	(20.10)
Miscellaneous Income		-	(0.97)
Remeasurement of Employee benefit obligation		(2.80)	1.41
Interest income classified as investing cash flows		(8.28)	(11.69)
Finance costs		82.89	86.62
Net foreign exchange differences		17.07	(69.42)
Change in operating assets and liabilities:			
(Increase)/Decrease in trade receivables		220.60	16.82
Increase/(decrease) in trade payables		10.30	(23.56)
(Increase) in other financial assets		28.00	(7.01)
(Increase)/decrease in other non-current assets		2.43	2.92
(Increase)/decrease in other current assets		0.42	(2.55)
Increase/(decrease) in provisions		(4.77)	(0.62)
Increase/(decrease) in other current liabilities		(10.43)	(2.03)
Increase/(decrease) in other equity		1.07	-
Cash generated from operations		**365.02**	**115.66**
Less: Income taxes paid		**(23.68)**	**11.82**
Net cash inflow from operating activities		**388.69**	**103.84**
CASH FLOWS FROM INVESTING ACTIVITIES:			
Cash inflow/(Outflow) from discontinued Operation		561.19	
Payments for Intangible Assets		-	(6.47)
Payments for software development costs		-	(0.10)
Proceeds from sale of subsidiary		-	23.00
Proceeds from sale of property, plant and equipment		-	0.01
Repayment of loans by employees		-	0.01

Particulars	Notes	FY 2020-21	2019-20
Dividends received		0.41	0.23
Net cash inflow (outflow) from investing activities		**561.60**	**16.68**
CASH FLOWS FROM FINANCING ACTIVITIES:			
Payment of Lease Liabilities		(11.89)	(10.88)
Repayment of borrowings		(335.99)	(83.64)
Interest paid		(31.49)	(37.46)
Dividends paid		(0.64)	(0.64)
Dividend distribution tax paid		-	(0.13)
Net cash inflow (outflow) from financing activities		**(380.01)**	**(132.75)**
Net increase (decrease) in cash and cash equivalents		570.28	(12.23)
Cash and Cash Equivalents at the beginning of the financial year		67.25	79.47
Cash and Cash Equivalents at end of the year		**637.53**	**67.24**
Cash and cash equivalents as per above comprise of the following:			
Cash and cash equivalents			
Balances with banks:			
- On current accounts		17.66	3.35
- On deposit accounts		619.87	63.89
Cash on hand		0.00	0.00
Balances per statement of cash flows		**637.53**	**67.24**

Notes :

1. The above Cash Flow Statement has been prepared under the ‘Indirect Method’ as set out in Ind AS 7 on “Statement of Cash Flows” notified by the Companies Act, 2013.
2. Previous year’s figures have been regrouped / rearranged wherever necessary to conform to the current year’s presentation.

Significant Accounting Policies and Notes forming part of the Financial Statements 1 to 45

As per our report of even date attached
For GMJ & CO
Chartered Accountants
F.R.No. 103429W

For and on behalf of the board

Sd/-
Thompson Gnanam
Managing Director and Global CEO
(DIN: 07865431)

Sd/-
Zohra Chatterji
Director
(DIN: 01382511)

Sd/-
S. Maheshwari
Partner
M.No.: 038755
UDIN: 21038755AAAACH3020

Sd/-
Mrinal Ghosh
Chief Financial Officer

Sd/-
Rajeev Limaye
Company Secretary
(M.No.: A17168)

Navi Mumbai
Date: May 17, 2021

Navi Mumbai
Date: May 17, 2021

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

A Equity Share Capital

(Amount in INR Crore)

Particulars	Balance at the Beginning of the year	Changes in Equity share capital during the year	Balance at the end of the year
March 31, 2020			
Numbers	1,61,66,44,862	10,004	1,61,66,54,866
Amount	1,616.64	0.01	1,616.65
March 31, 2021			
Numbers	1,61,66,54,866	-	1,61,66,54,866
Amount	1,616.65	-	1,616.65

B Other Equity

(Amount in INR Crores)

Particulars	Equity Component of Compound financial instruments	Reserves and Surplus					Share Suspense account - Equity Shares	Total
		Capital Reserve	Securities Premium Reserve	Share Based Payment Reserve	Retained Earnings	Property, Plant and Equipment Reserve		
As at April 01, 2019	18.89	**0.07**	**896.18**	**2.79**	**(2,271.66)**	**113.55**	**25.94**	**(1,214.24)**
Profit for the year					127.89			**127.89**
Other comprehensive income					1.41			**1.41**
Total comprehensive income for the year	-	-	-	-	129.30	-	-	**129.30**
FCCB conversions during the year	(0.01)		-		0.01			**0.01**
Share based payment expense				3.31				**3.31**
Amortisation of Revaluation Reserve					2.76	(2.76)		**-**
Dividend on Preference Shares					-		-	**-**
Transfer to Retained Earnings					(1.72)			**(1.72)**
As at March 31, 2020	18.89	**0.07**	**896.18**	**6.10**	**(2,141.30)**	**110.79**	**25.94**	**(1,083.34)**
Profit for the year					324.41			**324.41**
Other comprehensive income					(2.80)			**(2.80)**
Total comprehensive income for the year	-	-	896.18	6.10	321.61	110.79	25.94	**(761.73)**
Capital Redemption Reserve	321.00				(321.00)			
FCCB conversions during the year	-		-		-			**-**
Share based payment expense				2.98				**2.98**
Amortisation of Revaluation Reserve					67.58	(67.58)	(25.94)	**(25.94)**
Dividend on Preference Shares					-			**-**
Transfer to Retained Earnings								**-**
As at March 31, 2021	18.89	**321.07**	**896.18**	**9.08**	**(2,073.11)**	**43.21**	**(0.00)**	**(784.69)**
	18.89	321.07	896.18	9.08	(2,073.11)	43.21	-	(784.68)

Significant Accounting Policies and Notes forming part of the Financial Statements 1 to 45

As per our report of even date attached
For GMJ & CO
Chartered Accountants
F.R.No. 103429W

F.R.No. 103429W

Sd/-
S. Maheshwari
Partner
M.No.: 038755
UDIN: 21038755AAAACH3020

Navi Mumbai
Date: May 17, 2021

For and on behalf of the board

Sd/-
Thompson Gnanam
Managing Director and Global CEO
(DIN: 07865431)

Sd/-
Zohra Chatterji
Director
(DIN: 01382511)

Sd/-
Mrinal Ghosh
Chief Financial Officer

Sd/-
Rajeev Limaye
Company Secretary
(M.No.: A17168)

Navi Mumbai
Date: May 17, 2021

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021.

1 Corporate Information

3i Infotech Limited (referred to as "the Company") is a Global Information Technology Company committed to Empowering Business Transformation. A comprehensive set of IP based software solutions, coupled with a wide range of IT services, uniquely positions the Company to address the dynamic requirements of a variety of industry verticals of Banking and Financial Services Industry (BFSI), predominantly Banking, Insurance, Capital Markets, Asset & Wealth Management. The Company also provides solutions for other verticals such as Government, Manufacturing, Retail, Distribution, Telecom and Healthcare.

The Company is a public limited Company incorporated and domiciled in India. Its shares are listed on Bombay Stock Exchange and National Stock Exchange in India. The address of its registered office is International Infotech Park, Tower No.5, 3rd to 6th floors, Vashi, Navi Mumbai-400 703.

The financial statements for the year ended March 31, 2021 were approved by the Board of Directors and authorised for issue on May 17, 2021.

2 Significant Accounting Policies

a) Statement of compliance

The Standalone financial statements which comprises of Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss for the year ended 31st March 2021, the Statement of Cash Flows for the year ended 31st March 2021 and the Statement of Changes in Equity for the year ended 31st March 202

and accounting policies and other explanatory information (together hereinafter referred to as 'Standalone Financial Statements' or 'financial statements') and have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

b) Basis of preparation

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

c) Use of estimates and judgments

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities.

(i) Impairment of investments

The Company reviews its carrying value of investments carried at cost / amortised cost annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(ii) Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(iii) Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note (i) below.

(iv) Provisions and Contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value unless the effect of time value of money is material and are determined based on best estimate required to settle the obligation at the Balance sheet date. These are reviewed at each Balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements.

d) Revenue Recognition

The Company earns primarily from providing services of Information Technology (IT) solutions and Transaction services.

- “Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.

Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

Revenue from software development and related services have been recognised basis guidelines of Ind AS 115 – “Revenue from contract with customers”, by applying the revenue recognition criteria for each distinct performance obligation based on the contractual arrangement in conjunction with the Company’s accounting policies.

Revenue from Licenses where customer obtains a ‘ right to use ‘ the license is recognised at the time when the license is made available to the customer.

When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling price.

Revenue from the sale of and Cost of, distinct third party hardware is recognised upon performance of the contractual obligation.

The Company recognises revenue in terms of the contracts with its customers, combined with its accounting policies. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Revenue recognition for fixed priced development contracts is based on percentage completion method. Invoicing to the client is based on milestones as stipulated in the contract.

Revenue from transaction services and other service contracts is recognized based on transactions processed or manpower deployed.

Revenue from sharing of infrastructure facilities is recognised based on usage of facilities.

Unbilled Revenue pertains to revenue which would be billed as per the stipulations of the contract.

Invoicing in excess of earnings are classified as unearned revenue.

Performance Obligation and remaining performance obligation

The remaining performance obligations disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation-related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis or fixed price basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency."

e) Interest / Dividend Income

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

f) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers all relevant facts and circumstances that create an economic incentive for the Company to excericise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics (Refer note 38).

Leases Accounting policy

The Company as a lessee

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether : (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

g) Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their nature.

The costs of the Company are broadly categorised in employee benefit expenses, cost of third party products and services, finance costs ,depreciation and amortisation and other expenses. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Cost of third party products and services mainly include purchase of software licenses and products ,fees to external consultants ,cost of running its facilities, cost of equipment and other operating expenses. Finance cost includes interest and other borrowing cost. Other expenses is an aggregation of costs which are individually not material such as commission and brokerage, printing and stationery, legal and professional charges, communication, repairs and maintenance etc.

h) Foreign currency

The functional currency of the Company is Indian rupee (INR).

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of profit and loss. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity’s net investment in that foreign operation.

Non monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined

i) Income taxes

Current income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Advance taxes and provisions for current income taxes are presented in the Balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is recognised using the Balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable statement of profit and loss at the time of the transaction.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future economic tax liability. Accordingly, MAT is recognised as deferred tax asset in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

The Company recognises interest levied and penalties related to income tax assessments in finance costs.

j) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(ii) Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- **Debt instruments at amortised cost**

  A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

  a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

  b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

  After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

- **Debt instrument at fair value through other comprehensive income (FVTOCI)**

  A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

  (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

  (b) The asset's contractual cash flows represent SPPI.

  Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

- **Debt instrument at fair value through profit and loss (FVTPL)**

  FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

- **Equity investments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by- instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Interest in subsidiaries, associates and joint ventures are accounted at cost.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(iii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss, loans and borrowings or payables as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- **Financial Liabilities at fair value through profit and loss**

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. These gains / loss are not subsequently transferred to Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as at FVTPL.

- **Loans and borrowings**

  After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

  Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

- **Financial guarantee contracts**

  Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

(iv) Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

(v) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

k) Compound financial instruments

Compound financial instruments are separated into liability and equity components based on the terms of the contract.

On issuance of the compound financial instruments, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the compound financial instruments based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

l) Investments in subsidiaries

Investments in subsidiaries are measured at cost less impairment.

m) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statment of profit and loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives adopted by Company

Category of Assets	Useful lives adopted by Company	Useful Lives prescribed under Schedule II of the Act
Computers	5 years	3-6 years
Plant and Machinery, Electrical Installation	5 years	15 years
Office Equipment	5 years	5 years
Furniture and Fixtures	5 years	10 years
Vehicles	5 years	10 years

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

The useful lives have been determined based on technical evaluation done by the management's expert which are different than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit and loss within other gains/(losses).

n) Intangible assets

(i) Software Products - Meant for Sale

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and are tested for impairment from the point at which the asset is available for use.

(ii) Software Products-Others

Purchased software meant for in house consumption and significant upgrades thereof which have a probable economic benefit exceeding one year are capitalized at the acquisition price.

(iii) Patents, copyrights , Business commercial rights and other rights

Separately acquired patents and copyrights are shown at historical cost. Patents, copyrights and non-compete acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

(iv) Research and development

Research expenditure and development expenditure that do not meet the criteria specified above are recognised as an expense as incurred in the statement of profit and loss. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Amortisation methods and periods

The Company amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Category of Assets	Useful lives adopted by Company
Business Commercial rights	10 years
Software others	5 years or as per license period

Intangible Assets with indefinite useful lives

Based on the analysis of product life cycle studies, market and competitive trends, it is assessed that 'Software Products - meant for sale' would generate net cash flows for an indefinite period.

o) Impairment

(i) Financial assets (other than at fair value)

The Company assesses at each date of Balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk or the financial asset has increased significantly since initial recognition.

(ii) Non-financial assets

Tangible and intangible assets

Property, plant and equipment and intangible assets within finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

p) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. These liabilities are presented as current liabilities in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity; and

(b) defined contribution plans such as provident fund.

(c) superannuation contribution plans.

- **Gratuity obligations**

  The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

  The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

  The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

  Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

  Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in statement of profit and loss as past service cost.

- **Defined contribution plans**

  The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

- **Superannuation contribution plan**

  Certain employees of the Company are also participants in a defined superannuation contribution plan. The Company contributes to the scheme with Life Insurance Corporation of India on a monthly basis. The Company has no further obligations to the scheme beyond its monthly contributions.

(iv) Share-based payments

Employee Benefits in Foreign Branch

In respect of employees in foreign branch, necessary provisions are made based on the applicable local laws. Gratuity and leave encashment / entitlement as applicable for employees in foreign branch are provided on the basis of actuarial valuation and based on estimates.

(v) Share-based payments

Share-based compensation benefits are provided to employees via the Employee Option Plan.

Employee option Plan

The fair value of options granted under the Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions
- excluding the impact of any service and non-market performance vesting conditions, and
- including the impact of any non-vesting conditions.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity.

q) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

r) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred and are recognised in the statement of profit and loss.

s) Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

t) **Contingent liabilities recognised in a business combination**

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

u) Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

v) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

w) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

x) Current/non current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

y) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing the inventory to its present location and condition are included in the cost of inventories.

Hardware and Supplies

Carried at lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

z) Cash Flows

Cash Flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated. The company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

aa) Notes to Standalone Financials: RBI Application Under FEMA Act, 1999

The company has long outstanding receivables and payable balances from/to its foreign subsidiaries.

The company has made RBI Application for seeking approval for set-off of Trade Receivables from its 100% foreign subsidiaries against Trade Payables to its 100% foreign subsidiaries under the Foreign Exchange Management Act, 1999, and regulations thereunder.

The subsidiaries receivables were accrued pursuant to the software development services provided by the company to the above mentioned subsidiaries. The subsidiaries were unable to generate enough business for payment of dues to the company. Due to this reason the management has applied for set off of intercompany receivables and payables to reserve bank of India under FEMA regulations.

ab) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crore as per the requirement of Schedule III, unless otherwise stated. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crore as per the requirement of Schedule III, unless otherwise stated.

3. PROPERTY, PLANT AND EQUIPMENT

(Amount in INR Crore)

Particulars	Land	Buildings	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Computer Hardwares	Assets under Finance Lease	Leasehold Improvements	Total
GROSS CARRYING VALUE										
As at April 1, 2019	0.40	140.47	0.80	0.86	0.05	3.96	9.38	96.21	4.48	256.61
Additions	-	-	0.40	0.92	0.43	0.95	3.77	-	-	6.47
Disposals	-	-	-	-	-	(0.01)	(0.05)	-	-	(0.06)
As at March 31, 2020	**0.40**	**140.47**	**1.19**	**1.77**	**0.48**	**4.90**	**13.09**	**96.21**	**4.48**	263.01
Additions	-		0.31	0.03		0.12	0.99	-		1.46
Disposals	(0.40)	(84.28)	(0.79)	(1.30)	(0.43)	(2.85)	(6.88)	-	(1.40)	(98.35)
As at March 31, 2021	**-**	**56.19**	**0.71**	**0.50**	**0.05**	**2.17**	**7.20**	**96.21**	**3.07**	166.12
ACCUMULATED DEPRECIATION/IMPAIRMENT										
As at April 1, 2019	0.04	12.44	0.49	0.16	0.05	2.32	3.92	96.21	2.34	117.97
Depreciation for the year	0.01	3.11	0.21	0.32	0.03	0.72	2.20	-	0.47	7.08
Deductions\Adjustments during the period	-	-	-	-	-	(0.01)	(0.05)	-	-	(0.06)
As at March 31, 2020	**0.04**	**15.55**	**0.71**	**0.48**	**0.08**	**3.03**	**6.07**	**96.21**	**2.81**	125.00
Depreciation for the year	0.01	3.11	0.19	0.36	0.09	0.63	2.44	-	0.46	7.29
Deductions\Adjustments during the period	(0.05)	(11.19)	(0.53)	(0.58)	(0.12)	(2.30)	(4.16)	-	(0.99)	(19.94)
As at March 31, 2021	**(0.00)**	**7.46**	**0.36**	**0.26**	**0.05**	**1.35**	**4.35**	**96.21**	**2.28**	112.33
Net Carrying value as at March 31, 2021	**0.00**	**48.73**	**0.34**	**0.24**	**0.00**	**0.82**	**2.85**	**0.00**	**0.80**	53.79
Net Carrying value as at March 31, 2020	**0.34**	**124.92**	**0.49**	**1.30**	**0.40**	**1.88**	**7.02**	**0.00**	**1.67**	138.02

Particulars	**Right-Of-Use Assets**
GROSS CARRYING VALUE	
As at April 1, 2019	41.45
Additions	12.56
Disposals	(0.88)
As at March 31, 2020	**53.12**
Additions	8.45
Disposals	(18.92)
As at March 31, 2021	**42.65**

Particulars	Right-Of-Use Assets
ACCUMULATED DEPRECIATION/IMPAIRMENT	
As at April 1, 2019	-
Depreciation for the year	8.53
Deductions\Adjustments during the period	-
As at March 31, 2020	8.53
Depreciation for the year	9.57
Deductions\Adjustments during the period	-
As at March 31, 2021	**18.10**
Net Carrying value as at March 31, 2021	**24.55**
Net Carrying value as at March 31, 2020	**44.58**

Notes:

i. **Leased Assets**

Property, Plant and Equipment includes the following amounts where the company is a lessee under finance lease :

(Amount in INR Crore)

Particulars	March 31, 2021	March 31, 2020
Land		
Cost	-	0.40
Accumulated Depreciation	0.00	(0.05)
Net carrying amount	0.00	0.35
Building		
Cost	56.19	140.47
Accumulated Depreciation	(7.46)	(15.55)
Net carrying amount	48.73	124.92

The Company has acquired certain Land and Building under a lease arrangement for a period of sixty years at a premium of INR 0.50 crores starting from December 4, 2000 for Land, INR 15.62 crores starting from March 13, 2000 and INR 5.05 crores March 1, 2003 for building and the same are being amortized over the lease period.

ii. **Property, Plant and Equipment pledged as security against borrowings by the Company**

Refer to Note 36 for information on property, plant and equipment pledge as security by the Company

iii. **Contractual Obligations**

Refer to Note 31 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

4. INTANGIBLE ASSETS

(Amount in INR Crore)

Particulars	Software Product Others	Software Products - Meant for sale	Total
GROSS CARRYING VALUE			
As at April 1, 2019	4.45	1,154.55	1,159.00
Additions	0.10	-	0.10
As at March 31, 2020	**4.54**	**1,154.55**	**1,159.10**
Additions	-	-	-
Deletions	(4.54)	(1,154.55)	(1,159.10)
As at March 31, 2021	**-**	**-**	**-**
ACCUMULATED AMORTISATION AND IMPAIRMENT			
As at April 1, 2019	3.46	930.88	934.34
Amortisation for the year	0.69	-	0.69
As at March 31, 2020	4.14	930.88	935.03
Amortisation for the year	0.22		0.22
Deductions\Adjustments during the period	(4.37)	(930.88)	(935.25)
As at March 31, 2021	**0.00**	**0.00**	**0.00**
Net Carrying value as at March 31, 2021	**(0.00)**	**(0.00)**	**(0.00)**
Net Carrying value as at March 31, 2020	**0.40**	**223.67**	**224.06**

i. Significant Estimate : Useful life of Intangible Assets

Refer to sub note (n) of Note 2 'Significant Accounting Policies' .

ii. Intangible Assets with indefinite useful lives

The Entity provides IT based software solutions to variety of industry verticals which includes softwares meant for Banking industry, Insurance industry, Enterprise Resource Panning (ERP) softwares and softwares meant for financial service industry. These softwares have been capitalised as 'Software Products - meant for sale' category under intangible assets. The Company based on the analysis of product life cycle studies, market and competitive trends assesses that the 'Software Products - meant for sale' products will generate net cash flows for an indefinite period.

iii. Impairment testing of intangible assets with indefinite lives

Software Products - meant for sale

Software Products - meant for sale with indefinite lives have been allocated to the CGUs below forming part of IT Solution segment which is Company's operating and reportable segment, for impairment testing :

- Banking
- Insurance
- ERP
- Financial Services

Carrying amount of intangible assets with indefinite lives allocated to each of the CGUs:

(Amount in INR Crore)

Intangible Assets	March 31, 2021	March 31, 2020
Software meant for sale		
- Banking	104.58	104.58
- Insurance	56.82	56.82
- ERP	47.80	47.80
- Financial Services	14.47	14.47
	223.67	**223.67**

The Entity tests whether softwares have suffered any impairment periodically. The recoverable amount of a cash generating unit (CGU) is determined based on value in use of the underlying asset. The valuation is considered to be level 3 in the fair value hierarchy due to unobservable inputs used in the valuation. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period.

The recoverable amount of CGUs (business units) based on value in use as at December 31, 2019 INR 1,595 crores (December 31, 2018: INR 1,654 crores). The recoverable amounts represents the fair value of the business of the software products over the periord of budgeted five years.

Based on estimates of the management, though the fair valuation of the product businesses are much higher than the carrying amount of the software products, these intangibles are carried at amounts which the management estimates to be the residual value of the development costs.

5. FINANCIAL ASSETS

(Amount in INR Crore)

Particulars	March 31, 2021	March 31, 2020
(A) INVESTMENTS		
Non Current		
(1) Investments carried at fair value through Profit and Loss		
Unquoted		
(a) Investments in Equity Instruments		
200,000 Equity shares of Sri Lankan Rupee 10 each fully paid up of First Capital Asset Management Co. Limited, Sri Lanka	0.10	0.10
(as at March 31, 2020 - 200,000 Shares)		
(as at March 31, 2021 - 200,000 Shares)		
55,000 equity shares of INR 10 each fully paid up of Vashi Railway Station Commercial Complex Limited	0.06	0.06
(as at March 31, 2020 - 55,000 Shares)		
(as at March 31, 2021 - 55,000 Shares)		
	0.16	**0.16**

(2) Investments carried at Amortised Cost		
Unquoted		
Investments in Preference Shares of a Subsidiary		
Investments in Redeemable Convertible Preference Shares of 3i Infotech Holdings Private Limited, Mauritius		
(i) 891,631,605 Series A - Zero Coupon Redeemable Convertible Preference Shares of MUR 1 each fully paid up	146.91	135.24
(as at March 31, 2020 - 891,631,605 Shares)		
(as at March 31, 2021 - 891,631,605 Shares)		
(ii) 1,780,361,142 Series C - Zero Coupon Redeemable Convertible Preference Shares of MUR 1 each fully paid up	415.71	407.98
(as at March 31, 2020 - 1,780,361,142 Shares)		
(as at March 31, 2021 - 1,780,361,142 Shares)		
(iii) 21,878,720 Series D - Zero Coupon Redeemable Convertible Preference Shares of MUR 1 each fully paid up	5.01	4.92
(as at March 31, 2020 - 21,878,720 Shares)		
(as at March 31, 2021 - 21,878,720 Shares)		
	567.63	548.13
(3) Investments carried at Cost		
Unquoted		
Investments in Equity Instruments		
Wholly Owned Subsidiaries		
(i) 5,346,202 Equity shares of no par value of 3i Infotech Asia Pacific Pte Limited., Singapore	22.12	21.95
(as at March 31, 2020 - 5,346,202 Shares)		
(as at March 31, 2021 - 5,346,202 Shares)		
(ii) 3,226,308 Equity shares of GBP 1 each fully paid up of 3i Infotech (UK) Limited	355.73	355.73
(as at March 31, 2020 - 3,226,308 Shares)		
(as at March 31, 2021 - 3,226,308 Shares)		
Less: Impairment Loss Allowance	(355.73)	(355.73)
(iii) 6,258,371,598 Ordinary Shares of MUR 1 each fully paid up of 3i Infotech Holdings Private Limited, Mauritius	1,302.06	1,302.06
(as at March 31, 2020 - 6,258,371,598 Shares)		
(as at March 31, 2021 - 6,258,371,598 Shares)		
Less: Impairment Loss Allowance*	(779.32)	(779.32)

(iv) 500 Shares of SAR 1,000 each fully paid up of 3i Infotech Saudi Arabia LLC	3.16	2.81
(as at March 31, 2020 - 500 Shares)		
(as at March 31, 2021 - 500 Shares)		
(vi) 100,000 Equity shares of 10 each fully paid of 3i Infotech BPO Limited	66.71	66.71
(as at March 31, 2020 - 100,000 Shares)		
(as at March 31, 2021 - 100,000 Shares)		
(vii) 4,805,211 Equity shares of 10 each fully paid of 3i Infotech Consultancy Services Limited	37.34	37.34
(as at March 31, 2020 - 4,805,211 Shares)		
(as at March 31, 2021 - 4,805,211 Shares)		
(viii) Elegon Infotech Limited, China	11.81	11.81
Less: Impairment Loss Allowance	(11.81)	(11.81)
Other Subsidiaries		
740,000 Equity shares of 10 each fully paid of Locuz Enterprise Solutions Limited	-	-
(as at March 31, 2020 - NIL Shares)		
(as at March 31, 2021 - NIL Shares)		
	652.07	651.55
Total	**1,219.86**	**1,199.84**
Aggregate amount of quoted investments		
Market value of quoted investments		
Aggregate amount of unquoted investments	1,219.86	1,199.84
Aggregate amount of impairment in the value of investments	(1,146.85)	(1,146.85)
Investments carried at amortised cost	567.63	548.13
Investments carried at fair value through profit and loss	0.16	0.16
Investments carried at cost	652.07	651.55
(B) LOANS		
Non Current		
Unsecured, considered good unless otherwise stated		
Loans to Related Parties	40.83	40.83
Total	**40.83**	**40.83**
Current		
Unsecured, considered good unless otherwise stated		
Loans to Employees	-	-
Total	**-**	**-**

(C) OTHER FINANCIAL ASSETS		
Non Current		
Financial assets carried at amortised cost		
Security Deposits	10.52	11.22
Less: Loss Allowances	(0.48)	(0.48)
Total	**10.03**	**10.73**
Current		
Financial assets carried at amortised cost		
Security Deposits	0.83	1.50
Unbilled Revenue**	29.43	59.84
Interest Accrued but not due	2.44	2.71
Other financial assets#	20.42	16.33
Less: Loss Allowances	(2.21)	(10.45)
Total	**50.90**	**69.93**

* The Company had held Series A, C and D Zero Coupon Redeemable Convertible Preference Shares in 3i Infotech Holdings Private Limited (together the 'Preference Shares'), which got matured during the year on June 30, 2017. The said Preference Shares have then been renewed with same terms and are now having maturity date as March 24, 2025.

** Includes Unbilled Revenue from Related Parties as at March 31, 2021 of INR 2.17 crores (as at March 31, 2020 of INR 2.17 crores).

Includes Interest Receivable from Related Parties as at March 31, 2021 of INR 20.42 crores (as at March 31, 2020 of INR 16.33 crores).

6. TRADE RECEIVABLES

(Amount in INR Crore)

Particulars	March 31, 2021	March 31, 2020
Current		
Trade Receivables from customers	31.08	45.25
Receivables from other related parties	392.89	607.79
	423.96	**653.04**
Breakup of Security details		
Unsecured, considered good	423.96	653.04
Doubtful	3.83	5.25
	427.80	**658.29**
Impairment Allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	-	-
Doubtful	3.83	5.25
	3.83	**21 5.25**
	423.96	**653.04**

Trade or Other Receivable due from directors or other officers of the company either severally or jointly with any other person amounted to INR Nil (Previous year INR Nil).

Trade or Other Receivable due from firms or private companies respectively in which any director is a partner, a director or a member amounted to INR Nil (Previous year INR Nil).

7. CASH AND CASH EQUIVALENTS

(Amount in INR Crore)

Particulars	March 31, 2021	March 31, 2020
Balances with banks:		
- On current accounts	17.66	3.35
- On deposit accounts	619.87	63.89
Cash on hand	0.00	0.00
	637.53	**67.24**

8. OTHER BANK BALANCES

(Amount in INR Crore)

Particulars	March 31, 2021	March 31, 2020
Other Balances with banks		
- in Dividend accounts	-	-
- in Escrow accounts	0.00	0.00
	0.00	**0.00**

9. OTHER ASSETS

(Amount in INR Crore)

Particulars	March 31, 2021	March 31, 2020
Non Current		
Capital Advances	0.00	0.78
- Prepaid expenses	0.89	0.50
- Payment of Taxes (Net of Provisions)		
- Balances with Statutory, Government Authorities	1.77	3.81
Total	**2.66**	**5.09**
Current		
Advances other than Capital advances		
- Advances to creditors	0.75	3.61
- Other Advances	0.06	0.05
Less: Loss Allowances	-	-
Others		
- Prepaid expenses	3.48	4.78
- Balances with Statutory, Government Authorities	0.42	0.99
- Other current assets	5.47	1.18
Total	**10.19**	**10.61**

10. INCOME TAX

(Amount in INR Crore)

Deferred Tax

Particulars	March 31, 2021	March 31, 2020
Deferred tax relates to the following:		
Depreciation for tax purposes	(13.18)	(107.94)
Temporary difference due of foreign exchange fluctuation accounted in FCMITDA	-	-
Gratuity	3.85	5.57
Leave Encashment	0.47	0.43
Losses available for offsetting against future taxable income	121.21	210.92
Loss Allowance on Financial Assets	2.28	5.66
Other Ind AS adjustments	(114.63)	(114.63)
Net Deferred Tax Assets / (Liabilities)	-	-

Movement in deferred tax liabilities/assets

(Amount in INR Crore)

Particulars	March 31, 2021	March 31, 2020
Opening balance as of April 1	-	-
Tax income/(expense) during the period recognised in profit or loss	-	-
Tax income/(expense) during the period recognised in OCI	-	-
Closing balance as at March 31	-	-

(Amount in INR Crore)

	March 31, 2021	March 31, 2020
Unrecognised deferred tax assets		
Deductible temporary differences	322.92	322.92
Unrecognised tax losses	468.16	491.33

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Business losses which arose in India of INR 330.67(Previous year INR 609.69) that are available for offsetting for eight years against future taxable profits of the company. Majority of these losses will expire in March 2021.

Considering the probability of availability of future taxable profits in the period in which tax losses expire, deferred tax assets have not been recognised in respect of tax losses carried forward by the Company.

Major Components of income tax expense for the years ended March 31, 2021 and March 31, 2020 are as follows:

i. Income tax recognised in profit or loss

(Amount in INR Crore)

Particulars	2020-21	2019-20
Current income tax charge	-	-
Adjustment in respect of current income tax of previous year	0.15	0.07
Deferred tax		
Relating to origination and reversal of temporary differences	-	-
Income tax expense recognised in profit or loss	**0.15**	**0.07**

ii. Income tax recognised in OCI

(Amount in INR Crore)

Particulars	2020-21	2019-20
Net loss/(gain) on remeasurements of defined benefit plans	-	-
Income tax expense recognised in OCI	**-**	**-**

Reconciliation of tax expense and accounting profit multiplied by income tax rate for March 31, 2021 and March 31, 2020

(Amount in INR Crore)

Particulars	2020-21	2019-20
Accounting profit before income tax	**324.41**	**127.96**
Enacted tax rate in India	34.94%	34.94%
Income tax on accounting profits	**113.36**	**44.72**
Effect of		
Tax Losses for which no deferred income tax was recognised		-
Utilisation of previously unrecognised tax losses	(205.79)	(43.35)
Depreciation	3.74	1.61
Accounting Income not assessable for tax purpose	72.16	(20.76)
Adjustments for current tax of prior period	-	-
Other non taxable income	-	-
Other Adjustments		0.56
Non-deductible expenses for tax purposes:		
Share based payment expenses not deductible for tax purposes	-	-
Accounting expenses not deductible for tax purpose	17.88	18.35
Other non deductible expenses	-	0.05
Allowable expenses for tax purposes:		
Adjustment in respect of current income tax of previous year	0.15	
Expenditure allowable on payment basis	(1.36)	(1.11)
Tax at effective income tax rate	**0.15**	**0.07**

11. SHARE CAPITAL

i. Authorised Share Capital

(Amount in INR Crore)

Particulars	Equity Share (INR 10 Each)		Non Convertible Cumulative Redeemable Preference Share (Class A) (INR 5 Each)	
	Number	Amount	Number	Amount
At April 1, 2019	**2,20,00,00,000**	**2,200**	**20,00,00,000**	**100**
Increase/(decrease) during the year	-	-	-	-
At March 31, 2020	**2,20,00,00,000**	**2,200**	**20,00,00,000**	**100**
Increase/(decrease) during the year	-	-	-	-
At March 31, 2021	**2,20,00,00,000**	**2,200**	**20,00,00,000**	**100**

Particulars	Non Convertible Cumulative Redeemable Preference Share (Class B) (INR 5 Each)		Non Convertible Cumulative Redeemable Preference Share (Class C) (INR 1 Each)	
	Number	Amount	Number	Amount
At April 1, 2019	**1,50,00,00,000**	**750**	**1,05,00,00,000**	**105**
Increase/(decrease) during the year	-	-	-	-
At March 31, 2020	**1,50,00,00,000**	**750**	**1,05,00,00,000**	**105**
Increase/(decrease) during the year	-	-	-	-
At March 31, 2021	**1,50,00,00,000**	**750**	**1,05,00,00,000**	**105**

Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 each. Each shareholder has right to vote in respect of such share, on every resolution placed before the Company and his voting right on a poll shall be in proportion to his share of the paid up equity capital of the Company. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after payments of preferential amounts in proportion to their shareholding.

Terms / rights attached to preference shares

Class A and Class B Preference shareholders vide resolution passed by way of Postal Ballot on March 2, 2021 had granted approval for alternation of terms and conditions and redemption of both classes of preference shares.

Class A and Class B Preference shareholders vide resolution passed by way of Postal Ballot on March 2, 2021 had granted approval for alternation of terms and conditions and redemption of both classes of preference shares.

The terms of Class A Preference Shares having face value of INR 5 each, had been amended in financial year 2015-2016 where by their dividend was reduced to 0.01%and these were made redeemable on March 15, 2026. Redemption Premium shall be an amount that would provide the holder of the said shares an internal rate of return (IRR) of 6% per annum excluding the Dividend Rate on the outstanding amount of the said shares, to be paid at the time of redemption of the said shares.

Contingent liability in respect of arrears of dividend on these preference shares as at March 31, 2021 would be INR Nil crores (INR NIL crores as at March 31, 2020).

Class B Preference Shares of face value of INR 5 each are redeemable on March 15, 2026 and would carry a dividend of 0.10 % per annum.

Class C Preference Shares of face value of INR 1 each with a premium of INR 4 each and would carry a dividend of 0.10 % per annum.

ii. **Issued Capital**

Equity **Shares**

Particulars	Number	Amount
Equity shares of INR 10 each issued		
At April 1, 2019	**1,61,66,44,862**	**1,616.64**
Shares issued towards conversion of FCCB	10,004	0.01
At March 31, 2020	**1,61,66,54,866**	**1,616.65**
Shares issued towards conversion of FCCB	-	-
At March 31, 2021	**1,61,66,54,866**	**1,616.65**

Preference Shares

(Amount in INR Crore)

Particulars	Non Convertible Cumulative Redeemable Preference Share (Class A) of INR 5 each issued and fully paid		Non Convertible Cumulative Redeemable Preference Share (Class B) of INR 5 each issued and fully paid	
	Number	Amount	Number	Amount
At April 1, 2019	**13,00,00,000**	65.00	**1,27,55,21,596**	637.76
Issued during the year	-	-	-	-
At March 31, 2020	**13,00,00,000**	**65.00**	**1,27,55,21,596**	637.76
Issued during the year	-	-	-	-
At March 31, 2021	**13,00,00,000**	**65.00**	**1,27,55,21,596**	**637.76**

This note covers the number of preference shares issued by the Company. Since the preference shares are non convertible redeemable shares, it is reflected in financial liabilities.

iii. **Paid up Capital**

Particulars	Number	Amount
Equity shares of INR 10 each		
At April 1, 2019	**1,61,66,44,862**	1,616.64
Allotted during the year*	10,004	0.01
At March 31, 2020	**1,61,66,54,866**	**1,616.65**
Allotted during the year	-	-
At March 31, 2021	**1,61,66,54,866**	**1,616.65**

iv. **Shares held by holding/ ultimate holding company and / or their subsidiaries / associates**

The Company does not have a holding company or ultimate holding company.

v. **Details of shareholders holding more than 5% shares in the Company**

Name of the shareholder	As at March 31, 2021		As at March 31, 2020	
	Number	% holding	Number	% holding
Equity shares of INR 10/- each fully paid				
SREI Multiple Asset Investment Trust (SMAIT)	25,96,27,895	16.06	26,39,09,361	16.32
Standard Chartered Bank	-	-	11,61,31,094	7.18
IDBI Bank Limited	12,30,87,521	7.61	12,30,87,521	7.61

Non Convertible Cumulative Redeemable Preference Share (Class A) of INR 5 each issued and fully paid				
IDBI Trusteeship Services Limited (ICICI Strategic Investments Fund)	13,00,00,000	100	13,00,00,000	100
Non Convertible Cumulative Redeemable Preference Share (Class B) of INR 5 each issued and fully paid				
SREI Multiple Asset Investment Trust (SMAIT)	44,49,82,211	34.89	44,49,82,211	34.89
Standard Chartered Bank	18,95,05,860	14.86	18,95,05,860	14.86
IDBI Bank Limited	18,07,43,103	14.17	18,07,43,103	14.17

vi. Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date are Nil.

vii. Shares reserved for issue under options

For details of shares reserved for issue under the Share based payment plan of the Company, please refer note 30

For details of shares reserved for issue on conversion of Foreign Currency Convertible Bonds , please refer note 14 related to terms of conversion/ redemption of Foreign Currency Convertible Bonds.

viii. Shares issued / to be issued under DRS

Appendix D 'Extinguishing Financial Liabilities with Equity Instruments' of Ind AS 109 on Financial Instruments requires an entity to measure equity shares issued on extinguishment of liabilities at fair value on the date of extinguishment. Accordingly, fair value of equity shares issued under DRS scheme is the consideration paid against settlement of liabilities and the difference between the fair value of consideration and liability settled is to be charged to statement of profit and loss.

On the date of extinguishment of liability, which is the date of implementation of DRS scheme, the fair value of equity shares is below face value. Therefore as per Ind AS 109, the difference between the liability settled and fair value of equity shares issued is required to be charged to statement of profit and loss.

However, as per Section 53 of the Companies Act, 2013, a company shall not issue shares at a discount. Therefore, for the purpose of compliance of Companies Act, 2013, the Company has considered face value of shares issued as consideration paid towards extinguishment of liabilities and no impact is given in the statement of profit and loss.

12. OTHER EQUITY

i. Reserves and Surplus

(Amount in INR Crore)

Particulars	**March 31, 2021**	**March 31, 2020**
Capital Reserve	321.07	0.07
Securities Premium Reserve	896.18	896.18
Share Based Payment Reserve	9.08	6.10
Retained Earnings	(2,073.11)	(2,141.30)
Property,Plant and Equipment Reserve	43.21	110.79
	(803.57)	**(1,128.16)**
	-784.68	**-1,083.34**

(a) Capital Reserve

Particulars	March 31, 2021	March 31, 2020
Opening balance	321.07	0.07
Add/(Less):	-	
Closing balance	**321.07**	**0.07**

Capital Reserve was created in accordance with provision of the Companies Act, 2013.

(b) Securities Premium

Particulars	March 31, 2021	March 31, 2020
Opening balance	896.18	896.18
Add/(Less):		
Allotment of equity shares under FCCB conversion	-	0.00
Closing balance	**896.18**	**896.18**

The amount received in excess of face value of the equity shares is recognised in Share Premium Reserve. This is not available for distribution of dividend but can be utilised for issuing bonus shares.

(c) Share Based Payment Reserve

	March 31, 2021	March 31, 2020
Opening balance	6.10	2.79
Add/(Less):		
Employee Stock Option Expense recognised	2.98	3.31
Closing balance	**9.08**	**6.10**

The Company has three share option schemes under which options to subscribe for the company's shares have been granted to certain executives and senior employees.

The Share based payment reserve is used to recognise the value of equity settled share based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 30 for further details of these plans.

(d) Retained Earnings

Particulars	March 31, 2021	March 31, 2020
Opening balance	(2,141.30)	(2,271.66)
Net Profit/(Loss) for the year	324.41	127.89
Add/(Less):		
FCCBs converted during the year	-	0.01
Transfer from PPE Reserve	67.58	2.76
Dividend on Preference Shares	-	0.00
Items of Other Comprehensive Income directly recognised in Retained Earnings		
Remeasurement of post employment benefit obligation, net of tax	(2.80)	1.41
Transfer to Retained Earnings	-	(1.72)
Capital Redemption Reserve	(321.00)	
Closing balance	**(2,073.11)**	**(2,141.30)**

(e) Foreign Currency Monetary Item Translation Difference Account

Particulars	March 31, 2021	March 31, 2020
Opening balance	-	-
Add/(Less):		
Foreign Exchange Fluctuation on long term monetary items during the year	-	-
Amortisation of Foreign Exchange Fluctuation on long term monetary items during the year	-	-
Closing balance	**-**	**-**

For details of accounting treatment of foreign currency monetory item translation difference account, please refer note 40

(f) Property, Plant and Equipment Reserve

Particulars	March 31, 2021	March 31, 2020
Opening balance	110.79	113.55
Add/(Less):		
Transfer to Retained Earnings	(67.58)	(2.76)
Closing balance	**43.21**	**110.79**

Property, Plant and Equipment Reserve represents reserve created on revaluation of Leasehold Building and it is a non distributable reserve.

iii. Other Components of Equity

(Amount in INR Crore)

Particulars	March 31, 2021	March 31, 2020
Share Application money pending allotment	-	25.94
Equity Component of Compound financial instruments	18.89	18.88
Total	**18.89**	**44.82**

(a) Share Application money pending allotment

Particulars	March 31, 2021	March 31, 2020
Opening balance	25.94	25.94
Add/(Less):	(25.94)	-
Closing balance	**-**	**25.94**

(b) Equity Component of Compound financial instruments

Particulars	March 31, 2021	March 31, 2020
Opening balance	18.88	18.89
Add/(Less):		
Allotment of equity shares under FCCB conversion	-	(0.01)
Closing balance	**18.88**	**18.88**

13. DISTRIBUTION MADE AND PROPOSED

Cash dividends

(Amount in INR Crore)

Particulars	March 31, 2021	March 31, 2020
Cash dividends on Preference shares declared and paid:	0.64	0.64
Dividend distribution tax (DDT) on final dividend	-	0.13
	0.64	**0.77**

14. BORROWINGS

(Amount in INR Crore)

Particulars	March 31, 2021	March 31, 2020
Non Current Borrowings		
Secured		
(a) Term Loans		
From Banks	(0.00)	276.16
From Others	0.00	18.54
Unsecured		
(a) Liability Component of Foreign Currency Convertible Bonds	83.29	104.05
(b) Loans from Related Parties	27.22	14.97
(c) Long term maturity of Finance Lease Obligations	-	-
(d) Cumulative Non Convertible Redeemable Preference Shares	430.51	412.32
(A)	**541.01**	**826.05**
Current Maturity of Non Current Borrowings		
Secured		
(a) Term Loans		
From Banks	-	62.82
From Others	-	4.58
Unsecured		
(a) Liability Component of Foreign Currency Convertible Bonds	19.46	19.04
(B)	19.46	86.44
Total (A)-(B)	**521.55**	**739.61**
Current Borrowings		
Unsecured		
(a) Loans from Related Parties	12.81	13.08
Total	**12.81**	**13.08**

Particulars	Coupon / Interest Rate	March 31, 2021	March 31, 2020
Non Current Borrowings			
Secured			
(a) Term Loans			
From Banks			
Rupee Loan	0.1	(0.00)	276.16
From Others			
Rupee Loan	0.1	0.00	18.54
Unsecured			
(a) Foreign Currency Convertible Bonds	0.025	83.29	104.05
(b) Loans from Related Parties	10.00% to 14.75%	27.22	14.97
(c) Cumulative Non Convertible Redeemable Preference Shares	0.01% to 0.10%	430.51	412.32
Gross Non Current Borrowings		**541.00**	**826.04**
Less: Current maturity		(19.46)	(86.44)
Net Non Current Borrowings (as per Balance sheet)		**521.55**	**739.61**

The Debt Restructuring Scheme (DRS) proposal submitted by the Company in December 2015 was approved by the CDR-Empowered Group vide its Letter of Approval dated 14 Jun 2016. Accordingly, the Lenders executed a Supplementary Master Restructuring Agreement with the Company in FY2017. The Supplementary Master Restructuring Agreement was not executed by three lenders, viz. State Bank of Hyderabad (SBH) and State Bank of Travancore (SBT) (which subsequently got merged with State Bank of India (SBI)) as well as Indian Overseas Bank (IOB). Consequently, in the Books of the Company, for SBI and IOB, out of the debt to be restructured, the Equity portion and Preference portion, as per the DRS proposal computation is being reflected as Share Suspense under Other Equity. On the other hand, SBI and IOB are still reflecting the entire amount due, as debt.

Maturity Date, Terms of Repayment and coupon / interest rate for Rupee Term Loan from Lenders and Foreign Currency Convertible Bonds (FCCBs):

Particulars	LENDERS	FCCBs
Interest / coupon rate	10%	2.50%
Moratorium on Debt Principal	Upto March 31, 2018	Upto March 31, 2019
Servicing of Interest	Monthly from April 2016	Semi Annual from April 2016
Repayment of Debt Principal	Monthly over 6 years	Annual over 6 years
Repayment of Preference Shares	March 31, 2026	Not Applicable
Other Terms		Conversion of 25% FCCB to Equity @ INR 12.50; i.e. Premium of INR 2.50 (25%)

Loan from Related Parties as reflected under Non Current Borrowings are due for repayment in FY 2020-21 and carries a rate of interest @ 10% p.a.

Convertible Bonds

For details of convertible bonds, repayable terms, coupon rate, conversion rate, etc refer to Note 14 Part A Summary of Amended terms and conditions of 'Existing FCCBs' and terms and conditions of New FCCBs

(Amount in INR Crore)

	March 31, 2021	March 31, 2020
Face value of bonds issued	131.44	131.44
Transaction Cost	(1.38)	(1.38)
Equity component of convertible bonds - value of conversion rights#	(30.79)	(30.79)
Interest charged till reporting date *	39.46	31.80
Interest paid till reporting date	(16.25)	(13.33)
Foreign Exchange Loss / (Gain) till reporting date	12.17	14.34
Conversion / Markdown/Repayment	(51.36)	(28.03)
Non Current Borrowings	**83.29**	**104.04**

* Interest expense is calculated by applying the effective interest rate of 7.50% to the liability component

The equity component of convertible bonds has been presented under other equity net of deferred tax of INR 18.88 crores (March 31, 2020: INR 18.88 crores)

Non Convertible Redeemable Preference Shares

The terms of Class A Preference Shares having face value of INR 5 each, had been amended in financial year 2015-2016 and these were made redeemable on March 15, 2026. Redemption Premium shall be an amount that would provide the holder of the said shares an internal rate of return (IRR) of 6% per annum excluding the Dividend Rate on the outstanding amount of the said shares, to be paid at the time of redemption of the said shares.

Class B Preference Shares of face value of INR 5 each are redeemable on March 15, 2026 and would carry a dividend of 0.10 % per annum.

Class C Preference Shares of face value of INR 1 each with a premium of INR 4 each and would carry a dividend of 0.10 % per annum.

(Amount in INR Crore)

	March 31, 2021	March 31, 2020
Value of preference shares issued (old)	65.00	65.00
Value of preference shares issued (under DRS)	660.15	660.15
Transaction Cost	(0.94)	(0.94)
Fair Valuation Gain	(440.55)	(440.55)
Interest expense till reporting date	172.46	131.24
Dividend paid till reporting date	(3.22)	(2.58)
Non Current Borrowings	**452.89**	**412.31**

(Amount in INR Crore)

Particulars	March 31, 2021	March 31, 2020
Current Borrowings		
Unsecured		
Loans from Related Parties	12.81	13.08
Net debt Reconciliation		

This section sets out an analysis of net debt and the movements in net debt for the year ended March 31, 2021

(Amount in INR Crore)

	March 31, 2021	March 31, 2020
Non-current Borrowings	541.01	826.05
Current Borrowings	13.36	15.61
Net Debt	**554.37**	**841.66**

(Amount in INR Crore)

Particulars	Liabilities from financing activities		
	Non Current Borrowings	Current Borrowings	Total
Net Debt as at March 31, 2019	**863.58**	**12.13**	**875.71**
Repayment of borrowings	(83.64)	-	(83.64)
Interest Paid	(37.10)	-	(37.10)
Preference Dividend Paid	(0.64)	-	(0.64)
Interest Expense	81.58	-	81.58
Foreign Exchange Reinstatement	9.24	0.95	10.19
Other non cash movements			
- *Adjusted against Trade Receivables*	(4.53)	-	(4.53)
- Shares issued towards conversion of FCCB	(0.01)	-	(0.01)
- Amortisation of Transaction Cost	0.11	-	0.11
Net Debt as at March 31, 2020	**828.58**	**13.08**	**841.66**
Repayment of borrowings	(340.16)	-	(340.16)
Interest Paid	(29.21)	-	(29.21)
Preference Dividend Paid	(0.64)	-	(0.64)
Interest Expense	75.20	-	75.20
Foreign Exchange Reinstatement	(2.17)	(0.26)	(2.43)
Other non cash movements			
- Adjusted against Trade Receivables	9.73	-	9.73
- Shares issued towards conversion of FCCB	-	-	-
- Amortisation of Transaction Cost	0.20	-	0.20
Net Debt as at March 31, 2021	**541.55**	**12.82**	**554.37**

The carrying amounts of financial and non-financial assets pledged as security for current and non current borrowings are disclosed in Note 36

There are no guarantees given by directors

There are no defaults in repayment of borrowings during the year.

A. Summary of terms and conditions of FCCBs:

Particulars	Fourth Issue Amended	Fifth Issue Amended	New Issue
Issue currency	USD	USD	USD
Issue size	2.435 million	125.356 million	42.44175 million
Issue date	July 26, 2007	April 25, 2012	December 09, 2016
Amendment Date	April 25, 2012 and December 09, 2016	December 09, 2016	N.A.
Maturity date*	March 31, 2025	March 31, 2025	March 31, 2025
Coupon rate	2.50%	2.50%	2.50%
Fixed exchange rate of conversion	₹ 40.81	₹ 50.7908	₹ 66.326
Conversion price–post bonus	₹ 165.935	₹ 16.50	₹ 12.50
Markdown – (USD)			
2020-21	**Nil**	**Nil**	**Nil**
2019-20	Nil	Nil	Nil
Conversions/Redemptions – (USD)			
2020-21	**(0.07 million)**	**(0.44 million)**	**(2.67 million)**
2019-20	(0.07 million)	(0.44 million)	(2.67 million)
Outstanding as at - (USD)			
March 31, 2021	**0.29 million**	**1.78 million**	**10.68 million**
March 31, 2020	0.36 million	2.22 million	13.35 million
Outstanding as at - (₹ Crores)			
March 31, 2021	**2.12**	**13.02**	**78.19**
March 31, 2020	2.70	16.61	99.76

* One-sixth portion of the outstanding principal amount of the FCCBs shall be redeemed on March 31 of each year starting from March 31, 2020 through March 31 2025.

The Company, on March 29, 2021, approached holders of its foreign currency convertible bonds (FCCBs) for their approval for inter alia redeeming the FCCBs early. The FCCB holders, at their meetings held on May 6, 2021, approved the proposal of early redemption. The Company shall approach the Reserve Bank of India (RBI) for its approval towards change in terms of outstanding FCCBs of the Company inter alia to facilitate early redemption. The Company will convene a separate meeting of its Board of Directors to obtain its approval for change in terms of redemption of outstanding Bonds and for fixing the Early Redemption Date for repayment of outstanding FCCBs to Bondholders post receipt of approval from RBI.

B. Securities offered

The borrowing from the CDR lenders (excluding Specified CDR lenders i.e. Axis Bank Limited, RBL Bank Limited, L&T Finance Limited, Reliance Capital Limited, SREI Equipment Finance Limited and EXIM Bank) together with all interest, default interest, additional interest, commitment fees, all and any other costs, charges, expenses, fees, financing charges/fees/ remuneration secured by the security created in terms of the original Master Restructuring Agreement including the Corporate Guarantee and pledge over the Subject Shares.

Certain Specified lenders referred above/ non CDR lenders shall have pari passu share in the cash flow of the Company.

“Upon Closing of Transaction on March 31, 2021 under the Business Transfer Agreement executed by and between the Company and Azentio Software Private Limited on December 28, 2020 for sale of global software product business of the Company (“”BTA””) and after receipt of purchase consideration as agreed thereunder, all secured lenders of the Company have been duly paid and their debts settled in full. Therefore, all encumbrances on assets (including Corporate Guarantee and pledge of share investments) of the Company and certain subsidiaries mentioned in the Master Restructuring Agreement dated March 31, 2012 as amended and supplemented (“”Material Obligors””) in favour IDBI Trusteeship Services Ltd (“Security Trustee”) stand released on March 31, 2021. The Security Trustee has executed deeds of release / release agreements with the Material Obligors towards release of the said encumbrances and of any secured corporate guarantees furnished by any of the Material Obligors in favour of the Security Trustee.

The Company has completed necessary filings with the ROC for release of charges appearing against the name of the Company.

Details of assets / securities of the Company which are now released are mentioned in the below table - “Security created”.\

Sr No.	Security	First Charge to	Second Charge to
1	A charge and mortgage on all the present and future immovable and movable tangible fixed assets (except leased assets) of the Company.	ICICI Bank and IDBI Bank	All CDR Facilities (other than ones of ICICI Bank and IDBI Bank in respect of which the First Charge is created).
2	A charge on all the Receivables and stocks of the Company.	IDBI Bank, Oriental Bank of Commerce (‘OBC’), State Bank of Travancore (‘SBT’) and Standard Chartered Bank (‘SCB’). First charge shall be pari passu with the existing first charge created in favour of a working capital facility (non fund based) provided by the Development Bank of Singapore ('DBS').	All CDR Facilities (other than the ones of IDBI Bank, O BC, SBT and SCB in respect of which the First charge is created).
3	A charge on all the present and future Current Assets (except Receivables) of the Company.	SBT First charge shall be pari passu with the existing first charge created in favour of (i) a working capital facility (non fund based) provided by DBS. Further, first ranking pari passu charge has been created over stock in trade consisting of raw materials, finished goods, goods in process of manufacturing and other merchandise of the Company, to secure SCB Facility.	All CDR Facilities (other than the one of SBT in respect of which the First charge is created).

4	A charge on all the present and future intellectual property rights (other than in respect of ORION and PREMIA) of the Company.	All CDR Facilities. Intellectual property rights in respect of ORION and PREMIA are charged in favour of SCB on exclusive basis.	Not Applicable

b) **Corporate guarantees from material subsidiaries:**

Corporate guarantees of each of the material subsidiaries guaranteeing the Secured Obligations ("Corporate Guarantees"), in favour of all the CDR lenders. Each Corporate Guarantee was secured/credit enhanced by security interest over assets of the relevant material subsidiary providing the Corporate Guarantee, as permitted under applicable laws in the relevant jurisdictions, as detailed in the table below and shall have the ranking as mentioned against each security. Upon Closing of the Transaction under Business Transfer Agreement dated December 28, 2020 and after receipt of purchase consideration thereunder, below subsidiaries of the Company have executed deeds of release with Security Trustee and the Company for discharge of Corporate Guarantee issued in favour of CDR lenders pursuant to Master Restructuring Agreement.

Sr No.	Security	First Charge to	Second Charge to
Charge on assets of 3i Infotech Inc (USA) (including assets of 3i Infotech Financial Software Inc which has been merged with 3i Infotech Inc effective December 31, 2017)			
1	A charge on all the present and future movable fixed assets and Current Assets of 3i Infotech Inc (including all the present and future movable assets and Current Assets of 3i Infotech Financial Software Inc which has been merged with 3i Infotech Inc effective December 31, 2017).	ICICI Bank First charge shall be pari passu with the existing first charge created in favour of State Bank of India, California to secure line of credit of US$ 4.5 million.	All CDR Facilities other than the one of ICICI Bank in respect of which the First charge is created.
Charge on assets of 3i Infotech (Middle East) FZ LLC (Dubai)			
2	A charge on all the present and future movable fixed assets and current assets (except receivables and the collection account) of 3i Infotech (Middle East) FZ LLC.	All CDR Facilities. First ranking pari passu security interest has been created over collection account of 3i Infotech (Middle East) FZ LLC to secure USD 17 million STF facility and guarantee facility by SCB, Dubai.	Not Applicable
3	A charge on all the receivables of 3i Infotech (Middle East) FZ LLC.	Not Applicable	All CDR Facilities
Charge on assets of 3i Infotech Asia Pacific Pte Limited (Singapore)			
4	A charge on all the present and future movable fixed assets and Current Assets (other than Receivables and stocks) of 3i Infotech Asia Pacific Pte Limited.	All CDR Facilities. First ranking pari passu charge has been created over stock in trade consisting of raw materials, finished goods, goods in process of manufacturing and other merchandise of 3i Infotech Asia Pacific Pte Limited, to secure the cash credit facility of USD 2 million provided by SCB Singapore.	Not Applicable
5	A charge on all the Receivables and stocks of 3i Infotech Asia Pacific Pte Limited.	Not Applicable First charge has been created to secure the cash credit facility of USD 2 million provided by Standard Chartered Bank, Singapore.	All CDR Facilities.

Charge on assets of 3i Infotech SDN BHD (Malaysia) and 3i Infotech BPO Limited (India)			
6	A charge on all the present and future movable assets including Current Assets of 3i Infotech SDN BHD and 3i Infotech BPO Limited, except Current Assets of 3i Infotech BPO Limited.	All CDR Facilities	Not Applicable
7	A charge on all the Current Assets of 3i Infotech BPO Limited	First charge has been created to secure the cash credit facility of Rs.3 crores provided by Development Credit Bank ('DCB')	All CDR Facilities

b) Pledge of shares:

Upon Closing of the Transaction contemplated under Business Transfer Agreement dated December 28, 2020 and after receipt of purchase consideration thereunder, pledge of shares as per details set out in Column III held by the companies set out in Column I ("Pledgor") of the below table in respect of their investee companies set out in Column II ("Pledgee") stand released as on March 31, 2021. Deed of release / pledge termination agreement has been executed between the Company, the Pledgor, the Pledgee and the Security Trustee for release of the said pledge. Necessary statutory filings have also been completed to this effect.

Pledgor (I)	Company whose shares have been pledged (II)	Details of shares pledged (III)
3i Infotech Limited	3i Infotech Holdings Private Limited	6,258,371,598 ordinary shares of MUR 1 each
	3i Infotech Asia Pacific Pte Limited	5,346,202 ordinary shares of SGD 1 each
	3i Infotech BPO Limited	100,000 equity shares of ` 10 each
3i Infotech Asia Pacific Pte Limited.	3i Infotech SDN BHD	5,000,000 shares of RM 1 each
3i Infotech Holdings Private Limited	3i Infotech Inc	100,138,406 Class A common stock of US$ 0.30 each and 1,000,000 Class B common stock of US$ 0.01 each
		935,187 Class A common stock of US$ 0.30 each (issued by 3i Infotech Inc to 3i Infotech Holdings Private Limited consequent to merger of 3i Infotech Financial Software Inc with 3i Infotech Inc effective December 31, 2017).
	3i Infotech (Middle East) FZ LLC	46,174 shares of AED 1000 each

15. OTHER FINANCIAL LIABILITIES

(Amount in INR Crore)

Particulars	March 31, 2021	March 31, 2020
Non Current		
Financial Liabilities at amortised cost		
Deposits Payable	5.00	5.00
Total	**5.00**	**5.00**
Current		
Financial Liabilities at amortised cost		
Current maturities of long term debts	-	67.40
Current maturities of FCCB	19.46	19.04
Interest accrued and not due on borrowings	0.55	2.53
Dues to employees	5.09	9.18
Payable to step down subsidiary towards IPR purchase	1,066.39	1,066.39
Others		
Other Payables	0.12	0.46
	1,091.61	**1,165.00**
Total	**1,091.61**	**1,165.00**

16. TRADE PAYABLES

(Amount in INR Crore)

Particulars	March 31, 2021	March 31, 2020
Current		
Trade Payables to Micro, Small and Medium Enterprises	3.12	0.53
Trade Payables to Related Parties	31.57	25.07
Trade Payables to Others	18.36	16.74
Total	**53.05**	**42.34**

Terms and conditions of the above financial liabilities:

1. Trade payables are non-interest bearing and are normally settled on 60-day terms
2. For terms and conditions with related parties, refer note 32

17. OTHER LIABILITIES

(Amount in INR Crore)

Particulars	March 31, 2021	March 31, 2020
Current		
Unearned Revenue	0.08	4.88
Others		
Statutory Liabilities	7.20	8.05
Others	-	0.00
Total	**7.27**	**12.93**

18. PROVISIONS

(Amount in INR Crore)

Particulars	March 31, 2021	March 31, 2020
Non Current		
Provision for employee benefits		
Gratuity	10.28	14.79
Leave encashment	0.93	0.58
Total	**11.21**	**15.37**
Current		
Provision for employee benefits		
Gratuity	0.73	1.14
Leave encashment	0.43	0.64
Total	**1.15**	**1.78**

19. Lease Liabilities

(Amount in INR Crore)

Particulars	March 31, 2021	March 31, 2020
Non Current Lease Liabilities	21.00	42.54
Current Lease Liabilities	6.41	5.31
Total	**27.41**	**47.85**

20. REVENUE FROM OPERATIONS

(Amount in INR Crore)

Particulars	FTY 2020-21	FTY 2019-20
Sale of products		
IT Solutions	0.57	5.09
Sale of services		
IT Solutions	176.70	164.53
Transaction service	20.27	17.73
Other Operating Revenues		
Corporate charges	10.23	10.11
Total	**207.77**	**197.46**

Timing of Revenue Recognition

Particulars	2020-21	2019-20
For Contractual obligations rendered at a point in time	-	-
For Contractual obligations rendered over a period of time	207.77	197.46
Total	**207.77**	**197.46**

Summary of Contract Balances

Particulars	March 31, 2021	March 31, 2020
Trade receivables	423.96	653.04
Contract assets*	29.43	59.84
Contract liabilities*	0.08	4.88

* Contract assets represents revenue accrued and not billed and unbilled revenues. Contract Liabilities represents Billing in excess of revenue

The aggregate value of performance obligations that are unsatisfied as at March 31,2021 other than those meeting the exclusion criteria mentioned in note 2(g)is Rs.39.52 crores Out of this the company expects to recognise revenue of around 49% within the next one year and remaining thereafter. This includes contracts that can be terminated for convenience without a substantive penalty since based on current assessment, the occurence of the same is expected to be remote.

21. OTHER INCOME

Amount in INR Crore)

Particulars	**FTY 2020-21**	**FTY 2019-20**
Interest income on		
Bank fixed deposits	4.19	5.54
Loans to related parties	4.08	4.08
Financial assets at amortised cost*	22.02	20.10
Others	3.89	2.07
Other Non Operating Income (Net of expenses directly attributable to such income)		
Net gain on disposal of property, plant and equipment	-	0.01
Financial Guarantee Income	0.52	0.78
Foreign Exchange Fluctuation Gain	-	69.42
Others		
Rent received	-	0.05
Miscellaneous Income	7.94	0.97
Provision Reversal on Non Current Investment	-	-
Total	**42.65**	**103.02**

22. COST OF THIRD PARTY PRODUCTS AND SERVICES

(Amount in INR Crore)

Particulars	**FTY 2020-21**	**FTY 2019-20**
Cost of third party products / outsourced services		
For service delivery to clients	80.24	78.59
Less : Re-imbursement of costs by subsidiary companies	(25.83)	(27.27)
Total	**54.41**	**51.33**

23. EMPLOYEE BENEFITS EXPENSE

(Amount in INR Crore)

Particulars	**FTY 2020-21**	**FTY 2019-20**
Salaries, wages and bonus	120.56	104.88
Contribution to provident and other funds	2.96	2.71
Staff welfare expenses	0.58	1.05
Recruitment and training expenses	0.16	0.49
Employee Stock Option Expense	1.91	1.88
Gratuity Expense	4.19	1.80
Less : Re-imbursement of costs by subsidiary companies	(41.96)	(39.14)
Total	**88.41**	**73.67**

24. FINANCE COST

(Amount in INR Crore)

Particulars	FTY 2020-21	FTY 2019-20
Interest expense on debts and borrowings*	77.85	81.43
Interest Expense - Lease Liabilities (IndAS116)	4.81	4.01
Total Interest Expense	**82.67**	85.44
Other borrowing costs		
Others	0.22	1.19
Total	**82.89**	**86.62**

* Includes unwinding of discount under Ind AS 109 on Fair Valuation of Preference Share Capital, FCCBs and Interest free debts of INR 45.43 crores for the year ended March 31, 2021 (INR 42.28 crores for the year ended March 31, 2020).

25. DEPRECIATION AND AMORTISATION EXPENSE

(Amount in INR Crore)

Particulars	FTY 2020-21	FTY 2019-20
Depreciation on tangible assets	3.25	7.08
Depreciation on right to use assets	9.57	8.53
Amortisation on intangible assets	-	0.69
Total	**12.81**	**16.31**

26. OTHER EXPENSES

(Amount in INR Crore)

Particulars	FTY 2020-21	FTY 2019-20
Electricity power, fuel and water	3.37	3.79
Building	0.42	0.93
Others	0.63	1.42
Directors sitting fees	0.38	0.16
Insurance	3.78	2.32
Legal and professional fees	5.26	4.09
Net loss on disposal of property, plant and equipment	-	-
Rates and taxes	1.36	0.13
Lease Rental Charges	(2.86)	(3.02)
Hire Charges	2.16	1.74
Telephone and internet expenses	0.89	1.58
Travelling & conveyance expenses	0.63	1.34
Allowance for doubtful debts	0.91	(3.44)
Foreign exchange fluctuation loss	17.07	-
Miscellaneous expenses	14.20	5.84
Total	**48.22**	**16.88**

Notes:

(a) **Details of Payments to auditors**

Particulars	2020-21	2019-20
As auditor		
Audit Fee	0.62	0.67
Tax audit fee	0.05	0.05
In other capacity		
Other services (certification fees)	0.07	0.09
Re-imbursement of expenses	-	0.00
Total	**0.74**	**0.81**

(b) **Corporate Social Responsibility (CSR) expenditure**

As per Section 135 of the Companies Act, 2013, the Company does not meet the applicability threshold. Hence the provisions of the said section are not applicable during the current financial year.

(c) **Expenditure in foreign currency (excluding Expenditure in UAE Branch)**

Particulars	2020-21	2019-20
Professional charges	2.70	0.21
Cost of outsourced services and bought out items	0.21	0.33
Travelling and other expenses	0.12	3.45
Interest	2.79	3.26
Total	**5.82**	**7.25**

(d) **Earnings in foreign currency (excluding Earnings from UAE Branch)**

Particulars	2020-21	2019-20
Income from Operations	121.23	111.16
Guarantee commission	0.52	0.78
	121.76	**111.94**

27. RESEARCH AND DEVELOPMENT COSTS

The Company during the year has incurred cost on research and development activities which are not eligible for capitalisation in terms of Ind AS 38 and therefore they are recognised in statement of profit and loss. Amount charged to profit or loss during the year ended March 31, 2021 INR 22.59 crores (March 31, 2020: INR 22.00 crores) details of which are as follows:

Particulars	FTY 2020-21	FTY 2019-20
i. On Revenue Account :		
Payments to and provision for employees		
- Salaries, Wages, Bonus, Allowances, contribution to provident and other funds etc.	20.07	21.70
Other Expenses		
- Legal & Professional charges	-	0.20
- Other Expenses	0.03	0.09
- Cost of third party products and services	2.48	-
Total	**22.59**	**22.00**
ii. On Capital Account	**-**	**-**
Total Research and Development Expenditure (i + ii)	**22.59**	**22.00**

28. EARNINGS PER SHARE

(Amount in INR Crore)

Particulars	March 31, 2021	March 31, 2020
(a) Basic earnings per share (Amount in INR)	2.01	0.79
(b) Diluted earnings per share (Amount in INR)	2.01	0.79
(c) Face Value per share (Amount in INR)	10.00	10.00
(d) Reconciliations of earnings used in calculating earnings per share		
Basic earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share	324.41	127.89
Diluted earnings per share		
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	324.41	127.89
(e) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	1,61,66,45,355	1,61,66,45,355
Adjustments for calculation of diluted earnings per share:		
Options *		
Convertible Bonds *		
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	**1,61,66,45,355**	**1,61,66,45,355**

* Since the market price of the shares are lower than the exercise price / conversion price of potentially dilutive instruments, these instruments have not been considered for calculation of diluted Earnings Per Share (EPS).

29. EMPLOYEE BENEFIT OBLIGATIONS

(Amount in INR Crore)

Particulars	March 31, 2021			March 31, 2020		
	Current	Non Current	Total	Current	Non Current	Total
Leave obligations	0.43	0.93	**1.34**	0.64	0.58	**1.21**
Gratuity	0.73	10.28	**11.01**	1.14	14.79	**15.93**
Total Employee Benefit Obligation	**1.15**	**11.21**	**12.35**	**1.78**	**15.37**	**17.14**

(i) Leave Obligations

The leave obligations cover the company's liability for sick and earned leave.

The amount of the provision of INR 0.43 crores (March 31, 2020: INR 0.64 crores) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations.

(ii) Post Employment obligations

(a) Defined benefit plan - Gratuity

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service upto 10 years and 26 days salary multiplied by number of years of service beyond 11 years.

The gratuity plan is a unfunded plan and the Company makes contributions to recognised funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows

(Amount in INR Crore)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at April 1, 2019	**16.03**	**(0.00)**	**16.03**
Current service cost	2.23	-	2.23
Interest expense/(income)	1.13	0.00	1.13
Total amount recognised in profit or loss	**3.36**	**0.00**	**3.36**
Remeasurements			
Return of plan assets, excluding amount included in interest (income)	-	-	-
(Gain)/Loss from change in demographic assumptions	0.55	-	0.55
(Gain)/Loss from change in financial assumptions	(5.62)	-	(5.62)
Experience (gains)/losses	(0.64)	-	(0.64)
Total amount recognised in other comprehensive income	**(5.71)**	**-**	**(5.71)**
Employer contributions	-		-
Benefit payments	(2.05)	-	(2.05)
As at March 31, 2020	**11.63**	**-**	**11.63**
opening balance as per service report	**7.08**		**7.08**
Current service cost	(3.34)	-	(3.34)
Interest expense/(income)	0.43	0.00	0.43
Total amount recognised in profit or loss	(2.92)	0.00	(2.92)
Remeasurements			
Return of plan assets, excluding amount included in interest (income)	-	-	-
(Gain)/Loss from change in demographic assumptions	0.24	-	0.24
(Gain)/Loss from change in financial assumptions	2.99	-	2.99
Experience (gains)/losses	(0.36)	-	(0.36)
Total amount recognised in other comprehensive income	**2.86**	**-**	**2.86**
Employer contributions	-	-	-
Benefit payments	(0.53)	-	(0.53)
As at March 31, 2021	11.04	0.00	11.04

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	March 31, 2021	March 31, 2020
Present value of unfunded obligations	11.04	11.63
Fair value of plan assets	0.00	0.00
Deficit of unfunded gratutiy plan	**11.04**	**11.63**

The significant actuarial assumptions were as follows:

Particulars	March 31, 2021	March 31, 2020
Discount rate	6.70%	6.80%
Expected return on plan assets		
Salary growth rate		
For first 3 years	4.00%	1.00%
After 3 years	4.00%	1.00%
Withdrawal rate		
Upto 4 years	20.00%	33.00%
5 years and above	3.00%	3.00%
Mortality rate	100.00%	100.00%

A quantitative sensitivity analysis for significant assumption as at March 31, 2021 is shown below:

(Amount in INR Crore)

Assumptions	Discount rate		Salary growth rate		Attrition rate	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease	50% increase	50% decrease
March 31, 2021						
Impact on defined benefit obligation	7.19	8.99	9.01	7.16	8.14	7.85
% Impact	-10.40%	12.20%	12.40%	-10.70%	1.60%	-2.10%
March 31, 2020						
Impact on defined benefit obligation	12.87	15.68	15.76	12.79	14.97	13.18
% Impact	-9.20%	10.70%	11.20%	-9.80%	5.60%	-7.00%

(Amount in INR Crore)

Assumptions	Mortality rate	
Sensitivity Level	10% increase	10% decrease
March 31, 2021		
Impact on defined benefit obligation	8.02	8.01
% Impact	0.01%	-0.01%
March 31, 2020		
Impact on defined benefit obligation	14.20	14.14
% Impact	0.20%	-0.20%

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The Company's best estimate of future cash flows during the next 12 months is INR 09.10 crore (as at March 31, 2020 : INR 15.85 crore).

The average duration of the defined benefit plan obligation at the end of the reporting period is 12 years (March 31, 2020: 10 years)

Expected cash flows over the next (valued on undiscounted basis)

(Amount in INR Crore)

Particulars	March 31, 2021	March 31, 2020
1 year	0.32	0.76
2 to 5 years	1.94	4.58
6 to 10 years	3.28	5.53
More than 10 years	14.13	20.88

(iii) Defined contribution plans

The Company also has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any contructive obligation. The expense recognised during the year towards defined contribution plan is INR 2.96 crores (March 31, 2020: INR 7.63 crores)

30. SHARE BASED PAYMENTS

(a) Employee option plan

The Company's Employee Stock Option Schemes are applicable to "Eligible Employees" as defined in the scheme which includes directors and employees of the Company and its subsidiaries. Currently, the Company has 3 schemes, ESOS 2000, ESOS 2007 and ESOS 2018 (as amended). ESOS Scheme 2000 and 2007 provide for issue of equity options up to 25% of the paid-up equity capital to eligible employees and ESOS Scheme 2018 provide for issue of equity options up to 15% of the paid-up equity capital to eligible employees.

The options granted under the ESOS scheme 2000 and 2007 vest in a phased manner over three years with 20%, 30% and 50% of the grants vesting at the end of each year commencing one year from the date of the grant and the same can be exercised within ten years from the date of the grant or five years from the date of vesting of options whichever is later by paying cash at a price determined on the date of the grant. The options granted under ESOS 2018 vest in a graded manner over a three year period, with 33%, 33% and 34% of the grants vesting in each year, commencing one year from the date of the grant and the same can be exercised within 5 years from the date of vesting. One Stock option if exercised will be equivalent to one equity share.

During the year ended March 31, 2013, the Board of Directors of the Company approved ESOS Plan -2013 under the existing scheme ESOS 2007. The plan consist of variations in certain terms with regard to vesting and certain other related matters in ESOS 2007. The options granted are convertible and one option is equivalent to one equity share each. This plan is applicable to all the new options granted to eligible employees for the year ended March 31, 2014.

During the year ended March 31, 2015, the Board of Directors of the Company approved ESOS Plan-2014 under the existing scheme ESOS 2007. The plan consists of variations in certain terms with regard to vesting and certain other related matters in ESOS 2007. The options granted are convertible and one option is equivalent to one equity share each. This plan is applicable to all the new options granted to eligible employees for the year ended March 31, 2015.

During the current year ended March 31, 2016, the Board of Directors of the Company approved ESOS Plan-2015 under the existing scheme ESOS 2007. The plan consists of variations in certain terms with regard to vesting and certain other related matters in ESOS 2007. The options granted are convertible and one option is equivalent to one equity share each. This plan is applicable to all the new options granted to eligible employees for the year ended March 31, 2016.

Vesting Criteria for ESOS plan 2013 and 2014 under ESOS Scheme 2007 is in the ratio of 33%, 33% and 34% vesting in each year, commencing one year from the date of grant.Vesting Criteria for ESOS plan 2015 under ESOS Scheme 2007 is in the ratio of 50%, 25% and 25% vesting in each year, commencing one year from the date of grant.

The existing options (other than those granted under ESOS plan-2013, ESOS plan-2014 & ESOS plan-2015) would continue to be governed by the existing terms.

During the year ended March 31, 2021, NIL Stock Options were granted (10,00,000 Options granted for the year ended March 31, 2020).

"Note on transitioned employees :-

The Company hereby acknowledges that you shall be permitted to exercise, until 17 January, 2022 any employee stock options that have already been vested on or prior to the Transfer Date under the employee stock options scheme 2007 – Plan 2013, Plan 2014, Plan 2015 and Plan 2018.

In case the employee stock options issued to you under the employee stock options scheme 2018 – Plan 2018 are due for vesting on 18 January 2022, then such options shall stand automatically vested to you on the Transfer Date ("Accelerated Options") and such Accelerated Options may be exercised by you in the period from 18 January 2022 to 17 April 2022.

You agree and acknowledge that you shall not exercise the Accelerated Options (if any) prior to 18 January 2022."

Movement during the period

The number and weighted average exercise prices (WAEP) of the options and movement during the period is as follows

Particulars	March 31, 2021		March 31, 2020	
	Number of options	WAEP	Number of options	WAEP
Opening balance	97,763,950	10.02	103,960,400	10.24
Granted during the period*	-	-	1,000,000	10.00
Exercised during the period	-	-	-	-
Declined during the year	-	-	-	-
Forfeited during the period	3,272,950	10.50	7,196,450	13.27
Closing balance**	**94,491,000**	**10.00**	**97,763,950**	**10.02**
Vested and exercisable	84,760,000	10.00	43,573,920	10.04

* During the year ended March 31, 2021, NIL options (for the year ended March 31, 2020 NIL Options) granted to Managing Director and Global CEO.

** Includes 87,30,000 options granted to Managing Director/Executive Director and Non-Executive Directors (for the year ended March 31, 2020, 87,30,000 options).

The following tables summarize information about outstanding stock options:

As at March 31, 2021

Range of exercise price	Number of shares arising out of options	Weighted average remaining life (in years)	Weighted average exercise price (₹)
₹ 45 to ₹ 50	**-**	**-**	**-**
₹ 57 to ₹ 144	**-**	**-**	**-**
₹ 10	**94,491,000**	**5**	**10**

As at March 31, 2020

Range of exercise price	Number of shares arising out of options	Weighted average remaining life (in years)	Weighted average exercise price (₹)
₹ 45 to ₹ 50	-	-	-
₹ 57 to ₹ 144	25,000	0	76
₹ 10	97,738,950	6	10

(b) Expense arising from share based payment transactions

Total expenses arising from share based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

(Amount in INR Crore)

Particulars	2020-21	2019-20
Employee stock option expense	2.94	3.31
Total employee share-based payment expense	**2.94**	**3.31**

31. COMMITMENTS AND CONTINGENCIES

A. Commitments

i. Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

(Amount in INR Crore)

Particulars	March 31, 2021	March 31, 2020
Property, plant and equipment	0.01	1.11

B. Contingent Liabilities

(Amount in INR Crore)

	March 31, 2021	March 31, 2020
i. Claim against the company not acknowledged as debt		
- Disputed income tax matters	89.46	89.42
- Disputed service tax matters (excluding interest as applicable)	182.04	182.04
- Disputed sales tax matters	1.18	4.57
- Customer claims	51.86	13.14
- Others *	1.21	1.20
ii. Outstanding bank guarantees	25.07	21.42
iii. Arrears of cumulative preference dividend (including dividend distribution tax thereon)	-	-

* Includes claim in respect of legal cases relating to Registrar and Transfer Services, which are reimbursable by the Principal to the extent of INR 1.21 crores (as at March 31, 2020 - INR 1.20 crores).

The Company's pending litigation is in respect of proceedings pending with Tax Authorities and customer claims with various courts. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial statements.

C. **Financial Guarantees**

(Amount in INR Crore)

	March 31, 2021	**March 31, 2020**
Corporate Guarantees to Lenders of Subsidiaries	NIL	34.96

32. RELATED PARTY TRANSACTIONS

(i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

Name of Related Party	**Name of Holding Company**	**Percentage of Holding**	**Country of Incorporation**	**Nature of Relationship**
Foreign Subsidiaries/Step Down Subsidiaries:				
3i Infotech Inc.	3i Infotech Holdings Private Limited	100%	USA	Step Down Subsidiary
3i Infotech Asia Pacific Pte Limited	3i Infotech Limited	100%	Singapore	Subsidiary
3i Infotech SDN BHD	3i Infotech Asia Pacific Pte Limited	100%	Malaysia	Step Down Subsidiary
3i Infotech (UK) Limited	3i Infotech Limited	100%	UK	Subsidiary
3i Infotech (Thailand) Limited	3i Infotech Asia Pacific Pte Limited	100%	Thailand	Step Down Subsidiary
3i Infotech Holdings Private Limited	3i Infotech Limited	100%	Mauritius	Subsidiary
3i Infotech Saudi Arabia LLC	3i Infotech Limited	100%	Saudi Arabia	Subsidiary
3i Infotech (Africa) Limited	3i Infotech (Middle East) FZ LLC	100%	Kenya	Step Down Subsidiary
3i Infotech (Middle East) FZ LLC	3i Infotech Holdings Private Limited	100%	UAE	Step Down Subsidiary
Elegon Infotech Limited	3i Infotech Limited	100%	China	Subsidiary
3i Infotech (South Africa) (Pty) Limited	3i Infotech Holdings Private Limited	100%	Republic of South Africa	Step Down Subsidiary
Rhyme Systems Limited	3i Infotech (Western Europe) Group Limited	100%	UK	Step Down Subsidiary
3i Infotech (Western Europe) Holdings Limited	3i Infotech (UK) Limited	100%	UK	Step Down Subsidiary

3i Infotech (Western Europe) Group Limited	3i Infotech (Western Europe) Holdings Limited	100%	UK	Step Down Subsidiary
3i Infotech (Cyprus) Limited (formerly known as Black-Barret Holdings Limited)	3i Infotech Holdings Private Limited	100%	Cyprus	Step Down Subsidiary
3i Infotech Software Solutions LLC	3i Infotech Holdings Private Limited	100%	Dubai	Step Down Subsidiary
3i Infotech Services SDN BHD	3i Infotech Asia Pacific Pte Limited	100%	Malaysia	Step Down Subsidiary
Locuz Inc. (Ceased to be subsidiary w.e.f November 1, 2019)	Locuz Enterprise Solutions Limited	100%	USA	Step Down Subsidiary
3i Infotech (Canada) Inc.	3i Infotech Holdings Private Limited	100%	Canada	Step Down Subsidiary
3i Infotech Nigeria Limited	3i Infotech Holdings Private Limited	100%	Nigeria	Step Down Subsidiary
3i Infotech Netherlands B.V.	3i Infotech Holdings Private Limited	100%	Netherlands	Step Down Subsidiary

Name of Related Party	**Name of Holding Company**	**Percentage of Holding**	**Country of Incorporation**	**Nature of Relationship**
Indian Subsidiaries / Step Down Subsidiaries:				
3i Infotech BPO Limited	3i Infotech Limited	100%	India	Subsidiary
3i Infotech Consultancy Services Limited	3i Infotech Limited	100%	India	Subsidiary
Professional Access Software Development Private Limited	3i Infotech (Cyprus) Limited	100%	India	Step Down Subsidiary
IFRS Cloud Solutions Limited –(Voluntarily struck off from Register on November 28, 2019 and stands dissolved)	3i Infotech Inc.	100%	India	Step Down Subsidiary

As on March 31, 2020, the number of subsidiaries are 23 (twenty three).

Key Managerial Personnel (KMP) :

Name of Related Party	Designation / Details	Remarks
1. Mr. Padmanabhan Iyer	Managing Director, Global CEO and CFO	Appointed on November 11, 2014*
2. Mr. Rajeev Limaye	Company Secretary	Appointed on July 05, 2016
3. Mr. Ashok Shah	Chairman	Appointed on October 01, 2020
4. Dr. Shashank Desai	Director	Resigned on July 30, 2020
5. Mr. Gautam Dutta	Nominee Director- IDBI Bank Ltd	Resigned as a Director on June 14, 2019 due to withdrawal of nomination by IDBI Bank
6. Ms. Zohra Chatterji	Director	Appointed on March 24, 2020
7. Mr. Ranjeev Kumar Sinha	Nominee Director- IDBI Bank Ltd	Appointed on June 14, 2019
8. Ms. Anjoo Navalkar	Non - Executive Director	Resigned on October 25, 2020
9. Mr. Sandeep Kumar Gupta	Nominee Director - Indian Bank	Appointed on October 22, 2020
10. Mr. Pravir Kumar Vohra	Non-Executive Director	Appointed on September 01, 2020
11. Mr. Thompson Gnanam	Additional Whole Time Director (to be designated as CEO and MD- Designate)	Appointed on March 18, 2021
12. Mr. Avaya Kumar Mohapatra	Nominee Director- Allahabad Bank	Resigned as a Director on June 5, 2020 due to withdrawal of nomination by Allahabad Bank

* November 11, 2014 was the date of appointment of Mr. Padmanabhan Iyer as CFO of the Company. He has also been appointed as an Executive Director on the Board of the Company on May 18, 2016, as an acting CEO on June 7, 2016 and as Managing Director and Global CEO of the Company effective August 11, 2016.

(ii) Transactions with related parties

The following transactions occurred with related parties

(Amount in INR Crore)

Name	Nature of Transaction	2020-21	2019-20
3i Infotech Inc.	Income	3.92	3.97
	Corporate Charges (Royalty Income)	7.03	7.14
	Income from product charge out	-	0.66
	Reimbursement of Expenses	25.34	25.93
3i Infotech Holdings Private Limited, Mauritius	Income	0.05	0.05
	Reimbursement of Expenses	0.30	0.29
3i Infotech (UK) Limited and its subsidiaries	Income	2.03	1.12

	Corporate Charges (Royalty Income)	0.34	0.22
	Income from product charge out	0.33	0.30
	Reimbursement of Expenses	9.88	7.02
3i Infotech (Middle East) FZ LLC	Income	51.32	43.02
	Income from product charge out	5.45	8.75
	Corporate Charges (Royalty Income)	3.69	3.96
	Financial Guarantee Commission income	0.36	0.33
	Reimbursement of Expenses	60.44	47.55
	Interest Income	4.08	4.08
3i Infotech Saudi Arabia LLC	Income	7.52	6.93
	Income from product charge out	9.47	5.87
	Corporate Charges (Royalty Income)	2.04	1.76
	Reimbursement of Expenses	39.93	35.09
3i Infotech Asia Pacific Pte Ltd	Income	2.47	2.59
	Income from Product Charge out	0.12	1.85
	Corporate Charges (Royalty Income)	0.71	0.91
	Financial Guarantee Commission income	0.17	0.16
	Reimbursement of Expenses	16.37	17.63
3i Infotech Consultancy Services Limited	Purchase of Services	61.70	58.67
	Corporate Charges (Royalty Income)	1.57	1.48
	Income	0.46	0.39
	Loan/Interest Receivable Adjusted Against Trade Payable	-	-
	Reimbursement of Expenses	2.54	2.16
3i Infotech BPO Limited	Income	10.51	9.38
	Rent Income	-	-
	Income from Infrastructure & Facility Management Services	1.56	1.56
	Purchase of Services	0.89	0.89
	Reimbursement of Expenses	2.71	6.78
	Interest Expense	2.56	1.94
Locuz Enterprise Solutions Limited	Rent Income	-	0.05

	Purchase of Services	-	1.02
	Expenses	-	-
	Financial Guarantee Commission income	-	0.30
	Reimbursement of Expenses	-	-
3i Infotech Financial Software Inc	Income	-	-
3i Infotech Trusteeship Services Limited	Income	-	-
3i Infotech (Africa) Limited	Income	1.27	1.32
	Income from product charge out	0.50	-
	Corporate Charges (Royalty Income)	0.10	-
	Reimbursement of Expenses	5.98	6.30
3i Infotech SDN BHD	Income	1.63	1.24
	Income from product charge out	0.35	1.01
	Corporate Charges (Royalty Income)	0.55	0.59
	Reimbursement of Expenses	10.49	8.32
3i Infotech (Thailand) Limited	Income	1.95	2.00
	Income from product charge out	1.74	4.42
	Corporate Charges (Royalty Income)	0.76	0.83
	Reimbursement of Expenses	12.56	11.94
3i Infotech Software Solution LLC	Income	2.73	1.52
	Corporate Charges (Royalty Income)	0.15	0.05
	Reimbursement of Expenses	0.95	0.03
3i Infotech Netherlands B. V.	Income	0.80	-
	Corporate Charges (Royalty Income)	-	-
	Reimbursement of Expenses	-	-

(iii) Outstanding balances arising from sales/purchases of goods and services

(Amount in INR Crore)

Name	**March 31, 2021**	**March 31, 2020**
Trade Receivables		
3i Infotech Inc	112.67	368.90
3i Infotech Holdings Private Limited, Mauritius	0.70	0.36
3i Infotech (UK) Limited and its subsidiaries	0.52	7.69
3i Infotech (Middle East) FZ LLC	-	-
3i Infotech Saudi Arabia LLC	154.86	124.65
3i Infotech Asia Pacific Pte Ltd	6.61	2.56
3i Infotech BPO Limited	-	-

3i Infotech Financial Software Inc	-	-
Professional Access Software Development Private Limited	-	-
3i Infotech SDN BHD	23.69	23.32
3i Infotech (Thailand) Limited	33.17	26.56
3i Infotech (Africa) Limited	52.81	47.70
3i Infotech (South Africa) (Pty) Limited	0.01	0.01
Locuz Enterprise Solutions Limited	-	-
3i Infotech Netherlands B. V.	0.79	-
3i Infotech Software Solution LLC	6.13	2.40
3i Infotech Consultancy Services Limited	-	0.30
Trade Payables		
3i Infotech (Middle East) FZ LLC	5.75	1.31
3i Infotech Consultancy Services Limited	24.91	20.12
Unbilled Revenue		
Locuz Enterprise Solutions Limited	-	-
3i Infotech Consultancy Services Limited	2.17	2.17
3i Infotech BPO Limited	-	-
IPR Payables		
3i Infotech (Middle East) FZ LLC	1,066.39	1,066.39
Provision for bad & doubtful debts		
3i Infotech (UK) Limited and its subsidiaries	-	-
Earnest Money Deposit		
3i Infotech Consultancy Services Limited	5.00	5.00

(iv) Loans to and Interest Receivable from related parties :

(Amount in INR Crore)

Name	Nature of Relationship	Particulars	March 31, 2021	March 31, 2020
Loans to related parties:				
3i Infotech (Middle East) FZ LLC	Subsidiary	**Beginning of the year**	40.83	40.83
		End of the year	40.83	40.83
3i Infotech Consultancy Services Limited	Subsidiary	**Beginning of the year**	-	-
		End of the year	-	-
3i Infotech BPO Limited	Subsidiary	**Beginning of the year**	-	-
		Adjusted Agnst Loan Receivable	-	-
		End of the year	-	-
Interest Receivable from related parties:				
3i Infotech (Middle East) FZ LLC	Subsidiary	**Beginning of the year**	16.33	12.25
		Interest income recognised	4.08	4.08
		End of the year	20.42	16.33
3i Infotech Consultancy Services Limited	Subsidiary	**Beginning of the year**	-	-
		Interest income recognised	-	-
		End of the year	-	-

(v) **Loans from and Interest Payable from related parties :**

(Amount in INR Crore)

Name	Nature of Relationship	Particulars	March 31, 2021	March 31, 2020
Loans from related parties :				
3i Infotech Holdings Private Limited, Mauritius	Subsidiary	**Beginning of the year**	13.08	12.13
		Reinstatement of FC Loan	0.26	0.95
		End of the year	13.34	13.08
3i Infotech BPO Limited	Subsidiary	**Beginning of the year**	14.97	17.26
		Adjusted Agnst Loan Receivable	12.24	(2.29)
		End of the year	27.22	14.97
Professional Access Software Development Private Limited	Subsidiary	**Beginning of the year**	-	-
		Loan repayments made	-	-
		End of the year	-	-

(Amount in INR Crore)

Name	Nature of Relationship	Particulars	March 31, 2021	March 31, 2020
IFRS Cloud Solutions Limited	Subsidiary	**Beginning of the year**	-	0.05
		Loan received	-	-
		Loan Strike-off	-	(0.05)
		End of the year	-	-
Interest Payable to related parties:				
3i Infotech BPO Limited	Subsidiary	**Beginning of the year**	0.17	0.17
		Adjusted Agnst Interest Receivable	(2.05)	(1.75)
		Interests received	-	-
		Interest charged	2.56	1.94
		Interest paid	-	-
		TDS Deducted	(0.26)	(0.19)
		End of the year	0.42	0.17
Professional Access Software Development Private Limited	Subsidiary	**Beginning of the year**	-	-
		Interest charged	-	-
		Interest Payable written back	-	-
		End of the year	-	-
3i Infotech Consultancy Services Limited	Subsidiary	**Beginning of the year**	-	-
		Interest charged	-	-
		End of the year	-	-

vi) Key management personnel compensation

(Amount in INR Crore)

	2020-21	**2019-20**
Short term employee benefits		
Salaries and other employee benefits to Whole-time directors and executive officers	2.79	3.27
Commission and other benefits to non-executive / independent directors	0.38	0.29
Post-employment benefits	-	-
Long term employee benefits	-	-
Employee share based payment	-	-
Total	**3.17**	**3.55**

The Company had received approval from the Ministry of Corporate Affairs (MCA) for waiver of ₹61,54,452 against a total remuneration of ₹1,23,08,903 paid to Mr. Padmanabhan Iyer, Managing Director of the Company for the period from 11/8/2016 to 31/3/2017 with a direction to the Company to recover remaining (excess) remuneration of ₹ 61,54,451 paid to him for the period from 11/08/2016 to 31/03/2017, under intimation to the MCA.

The Company had obtained prior approval from lenders and also approval from Shareholders by means of Special Resolution at the Annual General Meeting held on September 6, 2017 and thus complied with the provisions of Section 197 of the Companies Act, 2013. The Company has received a notice from MCA dated April 5, 2018 in respect of recovery of the excess remuneration paid to Mr. Iyer in the year 2016-17 and the same was not recovered in view of the Companies Amendment Bill passed in 2018 and on the basis of the legal opinion obtained by the Company.

As advised by the Management of the Company, the Company again took approval of the Shareholders for waiver of recovery of excess remuneration paid to Mr. Iyer at the 26th Annual General Meeting held on December 12, 2019.

(vii) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest bearing and settlement occurs in cash. The Provision for Bad and Doubtful debts on amount owed by related parties is NIL (March 31, 2020 : NIL) . The assessment for loss allowance is undertaken at each financial year through examining the financial position of the related party and market in which the related party operates.

(viii) There are no Commitments with Related parties

33. FAIR VALUE MEASUREMENTS

i. Financial Instruments by Category

(Amount in INR Crore)

Particulars	Carrying Amount		Fair Value	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
FINANCIAL ASSETS				
Amortised cost				
Investments in Preference Shares	567.63	548.13	567.63	548.13
Trade Receivables	423.96	653.04	423.96	653.04
Loans	40.83	40.83	40.83	40.83
Cash and Cash Equivalents	637.53	67.24	637.53	67.24
Other Bank Balances	0.00	0.00	0.00	0.00
Other Financial Assets	60.93	80.66	60.93	80.66
FVTPL				
Investment in Equity Instruments	0.16	0.16	0.16	0.16
Total	**1,731.04**	**1,390.06**	**1,731.04**	**1,390.06**
FINANCIAL LIABILITIES				
Amortised cost				
Borrowings	534.37	752.69	534.37	752.69
Trade Payables	53.05	42.34	53.05	42.34
Other financial liabilities	1,091.61	1,165.00	1,091.61	1,165.00
lease Liability	27.41	47.85	27.41	47.85
Total	**1,706.44**	**2,007.86**	**1,706.44**	**2,007.86**

The management assessed that the fair value of cash and cash equivalent, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Accordingly, fair value of such instruments is not materially different from their carrying amounts

The fair values for loans, security deposits and investments in preference shares were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the Fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of non current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

The fair value of unquoted equity instruments carried at fair value through profit or loss are not materially different from their carrying amount. Hence the impact of fair valuation is considered to be insignificant in the financial statements.

ii. Fair Value Hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

Assets and liabilities measured at amortised cost and for which fair values are disclosed in the financial statements

Particulars	March 31, 2021			Total	March 31, 2020			Total
	Fair value measurement using				Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)		Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Financial Assets								
Investment in Preference Shares	-	-	567.63	**567.63**	**-**	**-**	**548.13**	**548.13**
Loans	-	-	40.83	**40.83**	**-**	**-**	**40.83**	**40.83**
Deposits	-	-	10.03	**10.03**	**-**	**-**	**10.73**	**10.73**
Total Financial Assets	**-**	**-**	**618.49**	**618.49**	-	-	**599.70**	**599.70**
Financial Liabilities								
Borrowings	**-**	**-**	521.55	**521.55**	**-**	**-**	**739.61**	**739.61**
Total Financial Assets	**-**	**-**	**521.55**	**521.55**	-	-	**739.61**	**739.61**

There have been no transfers among Level 1, Level 2 and Level 3 during the period

Level 1 - Level 1 hierarchy includes Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity shares included in level 3.

iii. Valuation technique used to determine fair value

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

iv. Valuation processes

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Managing Director (MD) and the audit committee (AC). Discussions of valuation processes and results are held between the MD, AC and the valuation team at least once every three months, in line with the Company's quarterly reporting periods.

34. FINANCIAL RISK MANAGEMENT

The Company is exposed primarily to fluctuations in foreign currency exchange rates ,credit ,liquidity and interest rate risk ,which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and liabilities . The risk management policy is approved by Board of Directors . The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

i. Market Risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of the change in market prices . Such changes in the value of financial instruments may result from changes in the foreign currency exchange, interest rates ,credit ,liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

(a) Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rate may have potential impact on the statement of profit and loss and the other comprehensive income and equity ,where any transaction reference more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company.

Considering the countries and the economic environment in which the Company operates, its operations are subject to risk arising from fluctuations in exchange rates in those countries. The risks primarily relates to fluctuations in US Dollar, Great Britain Pound and Euro against the functional currency of the Company.

The Company , as per its current risk management policy ,does not use any derivatives instruments to hedge foreign exchange . Further ,any movement in the functional currency of the various operations of the Company against major foreign currencies may impact the Company's revenue in international business.

The Company evaluates the impact of the foreign exchange rate fluctuation by assessing its exposure to exchange rate risks. Apart from exposures of foreign currency payables and receivables, which partially are naturally hedged against each other, the Company does not use any hedging instruments to hedge its foreign currency exposures; in line with the current risk management policies.

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rate shift of all the currencies by 1% against the functional currency of the Company.

The following analysis has been worked out based on the net exposures of the Company as of the date of Balance Sheet which could affect the statement of profit and loss and the other comprehensive income and equity .

The following table set forth information relating to foreign currency exposure as at March 31,2021:

(Amount in INR Crore)

Particulars	USD	GBP	EUR	AED	Total
Total financial assets	884.51	0.52	171.75	0.16	**1,056.94**
Total financial liabilities	112.80	-	-	3.72	**116.52**

1% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease /increase in the Company ‘s profit before tax by approximately INR 9.40 crores for the year ended March 31,2021.

The following table set forth information relating to foreign currency exposure as at March 31,2020:

(Amount in INR Crore)

Particulars	**USD**	**GBP**	**EUR**	**AED**	**Total**
Total financial assets	1,103.41	7.82	164.43	**0.15**	**1,275.80**
Total financial liabilities	137.09	-	-	**2.80**	**139.89**

1% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease /increase in the Company ‘s profit before tax by approximately INR 11.36 crores for the year ended March 31,2020.

(b) Interest rate risk

The Company’s fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market.

(ii) Credit risk

Credit risk is the risk that the counterparty will not meet its obligations leading to a financial loss. Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables and unbilled revenues.

(1) Credit risk management

- **Trade receivables and Unbilled revenues**

  Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

  As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables and unbilled revenue. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

- **Other Financails Assets**

  The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

  A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

(2) Credit risk exposure

- **Trade receivables and Unbilled revenues**

The carrying amount of trade receivables and unbilled revenues represents the maximum credit exposure from customers. The maximum exposure to credit risk from customers is INR 457.23 crores (March 31, 2020: INR 718.13 crores). The lifetime expected credit loss on customer balance for the year ended March 31, 2021 is INR 6.19 crores (March 31, 2020: INR 15.08 crores).

Reconciliation of loss allowance provision - Trade receivables and Unbilled revenue

(Amount in INR Crore)

Particulars	March 31, 2021	March 31, 2020
Balance at the beginning	15.08	18.40
Impairment loss recognised/reversed	(2.97)	(2.97)
Amount written off	(0.18)	(0.18)
Translation difference	(0.17)	(0.17)
Balance at the end	**11.77**	**15.08**

- **Other Financial Assets**

The carrying amount of cash and cash equivalents, investments carried at amortised cost, deposits with banks and financial institutions and other financial assets represents the maximum credit exposure. The maximum exposure to credit risk is INR 1280.20 crores (March 31, 2020: INR 687.97 crores). The 12 months expected credit loss and lifetime expected credit loss on these financial assets for the year ended March 31, 2021 is INR 1.10 crores (March 31, 2020: INR 1.10 crores)

Reconciliation of loss allowance provision - other financial assets

(Amount in INR Crore)

Particulars	March 31, 2021		March 31, 2020	
	12 month expected losses	life-time expected losses	12 month expected losses	life-time expected losses
Balance at the beginning		1.10		1.10
Add(Less): Changes in loss allowances due to				
Changes in risk parameters		-		-
Balance at the end		1.10		1.10

(iii) Liquidity risks

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company consistently generated sufficient cash flow from operations to meet its financial obligation as and when they fall due .

The table below provides details regarding the contractual maturities of significant financial liabilities as at :

March 31, 2021

(Amount in INR Crore)

Particulars	Due in 1 year	Due in 1-2 year	Due in 2-5 year	Due after 5 years	Total
Non-derivative financial liabilities :					
Trade and other payables	53.05	-	-	-	53.05
Borrowings including Interest thereon	58.60	25.75	775.57	27.22	887.13
Other financial liabilities	1,091.61	-	-	-	1,091.61
lease Liability	6.39	6.48	10.20	4.34	27.41
Total	**1,209.65**	**32.23**	**785.76**	**31.56**	**2,059.20**

March 31, 2021

(Amount in INR Crore)

Particulars	Due in 1 year	Due in 1-2 year	Due in 2-5 year	Due after 5 years	Total
Non-derivative financial liabilities :					
Trade and other payables	42.34	-	-	-	42.34
Borrowings including Interest thereon	134.45	121.85	244.48	740.79	1,241.57
Other financial liabilities	1,165.00	-	-	-	1,165.00
lease Liability	5.31	5.47	18.17	18.90	47.85
Total	**1,347.09**	**127.32**	**262.65**	**759.69**	**2,496.75**

35. CAPITAL MANAGEMENT

For the purpose of the company's capital management, capital includes issued equity capital, convertible instruments, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

(Amount in INR Crore)

Particulars	March 31, 2021	March 31, 2020
Borrowings	103.86	340.36
Trade payables	53.06	42.35
Other payables	1,103.89	1,182.94
Cumulative Non Convertible Redeemable Preference Shares	430.51	412.32
Less: cash and cash equivalents	(637.53)	(67.24)
Net Debt	**1,053.78**	**1,910.72**
Equity Share Capital	1,616.65	1,616.65
Other Equity	(784.68)	(1,083.34)
Total Equity	**831.97**	**533.31**
Capital and net debt	**1,885.74**	**2,444.02**
Gearing ratio	**55.88**	**78.18**

36. ASSETS PLEDGED AS SECURITY

The carrying amount of assets pledged as security for current and non current borrowings are:

(Amount in INR Crore)

Particulars	March 31, 2021	March 31, 2020
CURRENT ASSETS		
i. Financial Assets		
Trade Receivable	-	45.25
Cash and cash equivalents	-	67.24
Bank Balances Other than above	-	0.00
Other Financial Assets	-	51.42
ii. Non Financial Assets		
Other Current Assets (excluding Prepaid Expenses)	-	5.83
Total current assets pledged as security		**169.75**
NON CURRENT ASSETS		
Property, Plant and Equipment		
Land - Leasehold	-	0.34
Building - Leasehold	-	124.92
Plants and equipments	-	0.49
Furniture and Fixtures	-	1.30
Vehicle	-	0.40
Office	-	1.88
Computer Hardware	-	7.02
Intangible Assets	-	224.06
Non Current Investments	-	611.40
Total non current assets pledge as security	**-**	**971.82**

37. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The following table presents the recognised financial instruments that are offset and other agreements but not offset, as at March 31, 2021 and March 31, 2020. The column 'net amount' shows the impact on the company's balance sheet if all set-off rights were exercised.

(Amount in INR Crore)

Particulars	Effects of offsetting on the balance sheet			Related amounts not offset	
	Gross amount	Gross amounts set off in the balance sheet	Net amount presented in the balance sheet	Financial instruments collateral	Net amount
March 31, 2021					
Financial assets					
Non Current					
Investments	1,219.86	-	**1,219.86**	-	1,219.87
Current					
Cash and cash equivalents	637.53	-	**637.53**	-	637.53
Bank Balances Other than above	0.00	-	**0.00**	-	0.00
Trade receivables	508.92	(84.96)	**423.97**	-	**423.97**
Other financial assets	102.46	(0.70)	**101.76**	-	**101.76**
Total	**2,468.77**	**(85.66)**	**2,383.12**	-	2,383.13
Financial liabilities					
Trade payables	(16.26)	69.32	**53.05**	-	**53.05**
Borrowings	1,609.64	16.34	**1,625.97**	-	**1,625.97**
Total	**1,593.37**	**85.66**	**1,679.02**	-	1,679.02
March 31, 2020					
Financial assets					
Non Current					
Investments	1,199.84	-	**1,199.84**	(611.40)	588.44
Current					
Cash and cash equivalents	67.24	-	**67.24**	(67.24)	-
Bank Balances Other than above	0.00	-	**0.00**	(0.00)	-
Trade receivables	743.07	(90.02)	**653.05**	**(45.25)**	**607.80**
Other financial assets	121.82	(0.33)	**121.49**	**(51.42)**	**70.07**
Total	**2,131.97**	**(90.35)**	**2,041.62**	**(775.31)**	**1,266.31**
Financial liabilities					
Trade payables	(28.27)	70.61	**42.34**	-	**42.34**
Borrowings	1,897.95	19.74	**1,917.69**	**(775.31)**	**1,142.38**
Total	**1,869.68**	**90.35**	**1,960.03**	**(775.31)**	**1,184.72**

38. Leases

The changes in the carrying value of ROU assets for the year ended March 31, 2021 are as follows :

(Amount in INR Crores)

Particulars	**Category of ROU Asset Buildings**
Balance as at April 1, 2019	41.45
Reclassified on account of adoption of Ind AS 116 (Refer to Note 2(i))	-
Additions	12.56
Deletion	(0.89)
Depreciation	(8.54)
Balance as at March 31, 2020	44.58
Reclassified on account of adoption of Ind AS 116 (Refer to Note 2(i))	-
Additions	8.45
Deletion	(18.92)
Depreciation	(9.57)
Balance as at March 31, 2021	24.55

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

The break-up of current and non-current lease liabilities as at March 31, 2021 is as follows:

(Amount in INR Crores)

Particulars	**March 31, 2021**	**March 31, 2020**
Current Lease Liabilities	6.41	5.31
Non-Current Lease Liabilities	21.00	42.54
Total	27.41	47.85

The movement in lease liabilities during the year ended March 31, 2021 is as follows:

(Amount in INR Crores)

Particulars	**March 31, 2021**	**March 31, 2020**
Balance at the beginning	47.85	43.17
Additions	8.18	12.56
Finance cost accrued during the period	4.81	4.02
Deletions	(21.81)	(1.02)
Payment of lease liabilities	(11.88)	(10.88)
Translation difference	0.25	-
Balance at the end	27.41	47.85

The details of the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis are as follows:

Particulars	March 31, 2021	March 31, 2020
Less than one year	12.47	9.57
One to five years	44.41	42.38
More than five years	7.55	14.70
Total	64.43	66.65

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was INR 2.04 Crores for the year ended March 31, 2021 and INR 0.57 Crores for the year ended March 31, 2020..

Rental income on assets given on operating lease to subsidiaries was INR NIL crores for the year ended March 31, 2021.

39. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006)

(Amount in INR Crores)

Particulars	**March 31, 2021**	**March 31, 2020**
Principal amount due to suppliers under MSMED Act, 2006*	3.12	0.53
Interest accrued and due to suppliers under MSMED Act, on the above amount	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act, (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act, (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payment already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	-	-
	-	-

* Amount includes due and unpaid of INR 3.12 (March 31, 2020: INR 0.53)

The information has been given in respect of such vendors to the extent they could be identified as "Mico and Small" enterprises on the basis of information available with the Company.

40. DEFERRAL/CAPITALISATION OF EXCHANGE DIFFERENCES

(Amount in INR Crores)

The Ministry of Corporate Affairs (MCA) has issued the amendment dated December 29, 2011 to AS 11 "The Effects of Changes in Foreign Exchange Rates", to allow companies deferral/capitalization of exchange differences arising on long-term foreign currency monetary items. In accordance with the amendment/ earlier amendment to AS 11, the Company has capitalised exchange loss, 'arising on long-term foreign currency loan to the cost of plant and equipments. The Company also has other long-term foreign currency monetary item, where the gain/(loss) due to fluctuation in foreign currency is accounted for as FCMITDA and disclosed under reserve and surplus.

Accordingly foreign exchange gain/(loss) adjusted against:

(Amount in INR Crore)

Particulars	March 31, 2021	March 31, 2020
Cost of the assets		
FCMITDA	-	-
Amortised in the current year	-	-

41. DISCLOSURES REQUIRED UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013

(Amount in INR Crore)

Name of the Party	Nature	Rate of interest	March 31, 2021	March 31, 2020
3i Infotech (Middle East) FZ LLC	Loan given consequent to DRS	10%	40.83	40.83

42. The accounts of certain Trade Receivables, Trade Payables, Loans and Advances and Banks are however, subject to formal confirmations / reconciliations and consequent adjustments, if any. However, the management does not expect any material difference affecting the current years financial statements on such reconciliations / adjustments.

43. The books of accounts of the parent and subsidiaries reflect debit balances / credit balances of the counter entity. In case of 3i Infotech Ltd, the parent and 3i Infotech Saudi Arabia LLC a subsidiary there is a difference in the balances reflected to the tune of INR 75.56 crores. This net difference represents entries passed in previous financial years in various accounts based on local accounting and compliance requirements. The company is in the process of obtaining required approvals to pass the necessary accounting entries to eliminate the differences.

44. **Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):** The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues, goodwill and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered

45. Previous year's figures have been regrouped / rearranged wherever necessary to conform to the current year's presentation.

For and on behalf of the board

Sd/- **Thompson Gnanam** **Managing Director and Global CEO** **(DIN: 07865431)**	**Sd/-** **Mrinal Ghosh** **Chief Financial Officer**	**Sd/-** **Zohra Chatterji** **Director** **(DIN: 01382511)**	**Sd/-** **Rajeev Limaye** **Company Secretary** **(M.No.: A17168)**

Navi Mumbai
Date: May 17, 2021

3i INFOTECH LIMITED

Corporate Identification Number (CIN): L67120MH1993PLC074411
Registered Office: Tower # 5, International Infotech Park,
Vashi, Navi Mumbai – 400 703, Maharashtra, India
Tel: 022-7123 8000 **E-mail:** investors@3i-infotech.com **Website:** www.3i-infotech.com

NOTICE

Notice is hereby given that the Twenty Eighth Annual General Meeting ("AGM") of the Members of 3i Infotech Limited (the "Company") will be held on Wednesday, December15, 2021 at 2.00 p.m. (IST) through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") to transact the business as mentioned below. The venue of the AGM shall be deemed to be the Registered Office of the Company.

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) of the Company for the financial year ended March 31, 2021 together with the Reports of the Board of Directors (the "Board") and the Auditors thereon.
2. To appoint a Director in place of Mr. Pravir Kumar Vohra (DIN – 00082545), who retires by rotation and being eligible, offers himself for re-appointment.

   To consider and if thought fit, to pass the following resolution, with or without modification(s) as an ordinary resolution

   "**RESOLVED THAT** pursuant to the provision of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Pravir Kumar Vohra (DIN – 00082545), who retires by rotation, be and is hereby appointed as a director liable to retire by rotation."
3. To re-appoint M/s. GMJ & Co. as Statutory Auditor of the Company

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

   "RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the rules made thereunder on appointment/re-appointment of statutory auditors, as amended from time to time, (including any statutory modification(s) or re-enactment thereof for the time being in force) and as per the recommendations of the Audit Committee and approval from the Board of Directors, M/s. GMJ & Co, Chartered Accountants (Firm Registration no. 103429W) be and are hereby appointed as the statutory auditor of the company for a period of five years from the conclusion of this Twenty Eighth Annual General Meeting till the conclusion of the Thirty Third Annual General Meeting to be held in 2026.

   RESOLVED FURTHER THAT the Board of Directors of the Company (including any committee thereof) be and is hereby authorised to determine the scope of the audit and to fix the remuneration payable to the statutory auditors of the Company from time to time including out of pocket expenses incurred in connection with the audit, in addition to taxes as applicable,during the appointed period."

Registered Office:
Tower # 5,
International Infotech Park, Vashi,
Navi Mumbai – 400 703
November 8, 2021

By Order of the Board

Sd/-
Thompson Gnanam
Managing Director &Global CEO

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 Meeting through VC/OAVM Facility and voting through electronic means including remote e-voting**

   a) In view of continuing COVID-19 pandemic, the Ministry of Corporate Affairs, Government of India ("**MCA**") vide its General Circular No. 10/2021 dated June 23, 2021 read with circulars dated December 31, 2020, September 28, 2020, June 15, 2020, April 13, 2020 and April 8, 2020 (collectively referred to as "**MCA Circulars**") and SEBI Circular dated May 12, 2020 permitted Companies to convene Annual General Meeting ("AGM") 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 28th AGM of the Company is being held through VC/OAVM facility. The deemed venue for the Meeting shall be the Registered Office of the Company.

   b) Only registered members of the Company may attend (either in person or by authorized representative) at the said AGM through VC/OAVM facility.

      The authorised representative of a body corporate who is a member of the Company may attend the AGM provided that a certified true copy of the resolution of or the authority letter or power of attorney issued by the board of directors or other governing body of the body corporate authorizing such representative to attend and vote at the AGM is emailed to the Scrutinizer at scrutinizer3iinfotechagm@gmail.com with a copy marked to evoting@nsdl.co.in not later than 48 hours before the scheduled time of the commencement of the Meeting.

   c) Since the AGM will be held through VC/OAVM facility, the Route Map is not annexed to this Notice.

   d) Copy of all the documents referred to the accompanying notice of the AGM and the explanatory statement shall be available for inspection by the Members on all working days between 10:30 a.m. (IST) to 1:30 p.m. (IST), from the date of dispatch of the Notice upto the last date of e-voting i.e. Tuesday, December 14, 2021. A recorded transcript of the AGM shall also be made available on the website of the Company as soon as possible.

   e) National Securities Depository Limited ("NSDL") will be providing facility through remote e-voting and e-voting in respect of the business to be transacted at the AGM and during the 28th AGM.

   f) Members may join the AGM through VC/OAVM facility by following the procedure as mentioned below which shall be kept open for the Members from 1.30 p.m. (IST) i.e. 30 minutes before the time scheduled to start the AGM and the Company may close the window for joining the VC/OAVM facility 30 minutes after the scheduled time to start the AGM.

   g) Members may note that the VC/OAVM facility, provided by NSDL, allows participation of atleast 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. can attend the AGM without any restriction on account of first-come first – served principle.

   h) Attendance of the Members participating in the AGM through VC/OAVM facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

   i) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), 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 the MCA circulars, the Company is providing remote e-voting facility to its Members in respect of the business to be transacted at the AGM and facility for those Members participating in the AGM to cast vote through e-voting system during the AGM.

j) Members are informed that in case of joint holders attending the AGM, 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.

k) In terms of the MCA Circulars, since the AGM has been convened through VC/OAVM facility, physical attendance of Members has been dispensed with and there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting, for participation in the AGM through VC/OAVM Facility and e-Voting during the AGM.

l) 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.

m) 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 https://www.evoting.nsdl.com/ to reset the password.

n) 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.

o) Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/ OAVM and participate there at and cast their votes through e-voting.

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

a. The remote e-voting period will commence at 9:00 a.m.(IST) on Sunday, December 12, 2021 and end at 5:00 p.m.(IST)on Tuesday , December 14, 2021. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Wednesday, December 8, 2021 may cast their vote by remote e-voting. The remote 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. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.

c. The details of the process and manner for remote e-voting are explained herein below:

Step1: Access to NSDL e-Voting System

a) Log-in Method for e-voting for Individual Shareholders holding securities in demat mode;

b) Login Method for Shareholders other than Individual Shareholders holding Securities in demat mode and Shareholders holding securities in physical mode.

Step 2: Cast your vote electronically on NSDL e-voting system.

Details on Step 1 are mentioned below:

A) **Login Method for e-voting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	If you are already registered for **NSDL IDeAS facility**, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the **"Beneficial Owner"** icon under "Login" which is available under **"IDeAS"** section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or **e-Voting service provider – NSDL** and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS"** Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 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. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or **e-Voting service provider – NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest, the user will be also able to see the e-Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once logged in , you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or **e-Voting service provider-NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve user ID/Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL;

Login type	**Helpdesk details**
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or calling at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or calling 022 – 23058738 or 022 -23058542-43

B) **Login Method for Shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

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 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 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 116873 then user ID is 116873001***

V. Password details for shareholders other than Individual shareholders 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 mail box. 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.

ii. "Physical User Reset Password?" (If you are holding shares in physical mode) option available on 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 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 all the companies "EVEN" in which you are holding shares and whose voting cycle is active.

II. Select "EVEN" of company for which you wish to cast your vote during the remote e-voting period.

III. Now, you are ready for e-voting as the Voting page opens.

IV. 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.

V. Upon confirmation, the message "Vote cast successfully" will be displayed.

VI. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

VII. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

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 or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in or contact Mr. Amit Vishal, Senior Manager or Ms. Pallavi Mhatre Manager, National Securities Depository Ltd., Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, at the designated email IDs: evoting@nsdl.co.in or AmitV@nsdl.co.in or pallavid@nsdl.co.in who will also address the grievances connected with the voting by electronic means.

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 Notice, explanatory statement together with accompanying documents, is being sent to the Members through electronic form only at the email ids registered with the Depositories in case of electronic shareholding) or the Company`s Registrar and Share Transfer Agent (in case of physical shareholding). Members whose e-mail addresses are not so registered, may follow the following procedure:

- In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investors@3i-infotech.com
- In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + Client ID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to (investors@3i-infotech.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.
- Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
- In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

4. **Instructions for Members for participating in the AGM through VC/OAVM are as under**

a. Members will be able to attend the AGM through VC/OAVM Facility through the NSDL e-voting system at https://www.evoting.nsdl.com under Shareholders/Members login by using the remote e-voting credentials and selecting the EVEN for the Company's AGM. Please note that the Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice of the AGM to avoid last minute rush. Further, Members can also use the OTP based login for logging into the e-voting system of NSDL.

b. The voting rights of Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date of Wednesday, December 8, 2021.

c. Further, Members will be required to use internet with a good speed to avoid any disturbance during the AGM.

d. Please note that Members connecting from mobile devices or tablets or through laptops etc. connecting via mobile hotspot, may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

e. Members can submit questions in advance with regard to items mentioned in the Notice or any other matter to be placed at the AGM, from their registered email address, mentioning their name, DP

ID and Client ID number /folio number and mobile number, to reach the Company's email address investors@3i-infotech.com atleast 48 hours in advance before the start of the AGM i.e. by December 13, 2021 by 2.00 p.m. (IST). Such questions by the Members shall be taken up during the AGM and replied by the Company suitably.

f. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at investors@3i-infotech.com between 9.00 a.m. (IST) on Friday, December 10, 2021 and 5.00 p.m. (IST) on Saturday, December 11, 2021. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of questions and number of speakers.

5. **Instructions for Members for e-voting during the AGM are as under:**

a) Members may follow the same procedure for e-voting during the AGM as mentioned above for remote e-voting.

b) Only those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.

c) Members who have cast their vote by remote e-voting prior to the AGM may also participate in the AGM through VC/ OAVM facility but shall not be entitled to cast their vote again.

6. **General Instructions for the Members**

a. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.

b. In terms of Regulation 40 of SEBI LODR, securities of listed companies can only be transferred in dematerialized form with effect from April 1, 2019. In view of the above, Members are advised to dematerialize shares held by them in physical form.

c. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, December 8, 2021 to Wednesday, December 15, 2021 (both days inclusive).

d. Notice of this AGM has been sent to those Members whose names appear in the Register of Members as on Friday, November 12, 2021. Any person, who acquires shares of the Company and becomes Member of the Company after the Company sends the Notice of the AGM by email may obtain the User ID and password by sending a request to the Company's email address investors@3i-infotech.com. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com.

e. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or casting vote through e-voting system during the AGM.

f. The Company reserves the right to limit the number of Members asking questions depending on the availability of time at the AGM.

g. During the AGM, the Chairperson shall, after response to the questions raised by the Members in advance or as a speaker at the AGM, formally propose to the Members participating through VC/OAVM facility to vote on the resolutions as set out in the Notice of the AGM and announce the start of the casting of vote through the e-voting system. After the Members participating through VC/OAVM facility, eligible and interested to cast votes, have cast the votes, the e-voting will be closed with the formal announcement of closure of the AGM.

h. The Company has appointed Mr. Avinash Bagul, Partner, M/s. BNP & Associates, Practicing Company Secretaries or failing him, Mr. K. Venkataraman, Partner, M/s. BNP & Associates, Practicing Company Secretaries as scrutinizer (the "Scrutinizer") to scrutinize the e-voting at the AGM and remote e-voting in a fair and transparent manner.

i. The Scrutinizer shall after the conclusion of e-voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether a particular resolution has been carried or not, and such Report shall then be sent to the Chairperson or a person authorized by him, within 48 (forty eight) hours from the conclusion of the AGM, who shall then countersign and declare the result of the voting forthwith.

j. The Voting Results of the AGM declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.3i-infotech.com and on the website of NSDL at www.evoting.nsdl.com immediately after the declaration of Results by the Chairperson or a person authorized by him. The results shall also be immediately forwarded to the stock exchanges.

k. The Notice of the AGM and the Annual Report for the year 2020 –21 including therein the Audited Financial Statements for the year 2020-21, will be available on the website of the Company at www.3i-infotech.com. The Notice of 28th AGM will also be available on the website of NSDL at www.evoting.nsdl.com.

l. 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.

m. Members are requested to note that trading in equity shares of the Company on the Stock Exchanges is permitted only in dematerialized form as per the notification issued by SEBI. The shares of the Company are available for trading under both the depository systems in India i.e. National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). Members who continue to hold shares in physical form are, therefore, requested to note that they will not be able to trade in the shares of the Company, unless the same are dematerialized.

n. Pursuant to the requirements of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and Secretarial Standard on General Meetings ("SS-2"), information about the Director proposed to be re-appointed has been given in the Annexure to this Notice.

o. Members desirous of getting any information about the accounts and operations of the Company are requested to write to the Company at least seven days before the AGM to enable the Company to keep the information ready at the AGM.

p. Members may avail of the nomination facility as provided under Section 72 of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force). Members desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to the Company at its Registered Office address. Members holding shares in electronic mode may contact their respective Depository Participants for availing this facility.

q. The soft copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act will be available electronically for inspection without any fees by the Members from the date of circulation of this Notice upto the date of AGM i.e. Members seeking to inspect such documents can send an email to investors@3i-infotech.com.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013:

Item no. 3

GMJ & Co, Chartered Accountants ("GMJ") were appointed as Statutory Auditor of the Company at the Annual General Meeting held on December 7, 2016 to examine and audit the financial statements of the Company for a period of five years. The term of GMJ as Statutory Auditor will come to an end on the conclusion of this Annual General Meeting ("AGM") in terms of the said approval and Section 139 of the Companies Act, 2013 (the "Act") read with Companies (Audit and Auditors) Rules, 2014 as amended from time to time.

As per the recommendation of the Audit Committee, the Board of Directors of the Company (the "Board"), at its meeting held on August 10, 2021, passed a resolution for re-appointment of GMJ Chartered Accountants, as Statutory Auditor for another term of 5 years from the conclusion of this AGM till the conclusion of the 33rd AGM. On the recommendation of the Committee, the Board also recommends reappointment of GMJ as Branch Auditors of the Company and to approve the terms of remuneration to be paid to Statutory Auditor.

GMJ established in 1986, is one of the leading mid sized firms in Mumbai. GMJ is part of a prestigious international accounting association, AGN International Limited. GMJ has experienced team handling independent verticals catering to requirements of diverse segments of industry, including Corporate, PSUs, MNCs, Banks and others.

The Company has received letter of consent from GMJ to act as Statutory Auditor of the Company and confirming that their re-appointment, if made would be in conformity with Section 139 (1) of the Act read with rules thereunder.

Your Directors recommend the Ordinary Resolution set out in item no. 3 of the Notice for your approval.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in the resolution.

Additional Information as required to be disclosed under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) regarding the Director(s) proposed to be appointed/re-appointed:

Name of the Director	**Pravir Kumar Vohra**
Age	67 years
Qualification	Post Graduate in Economics, Certified Associate of Indian Institute of Bankers
Experience	45 years
Date of first appointment on the Board of Directors	September 1, 2020
Relationship with other Directors, Manager and Other Key Managerial Personnel of the Company	None. Mr.Vohra is on the board of National Collateral Management Services Limited. Ms.Zohra Chatterjee is also a director on this board.
Expertise in specific functional area	As mentioned in brief resume given in Annexure to the Notice.
Brief Resume of the Director	Given separately as Annexure to this Notice
Other Directorships, Membership / Chairperson of Committees of other Boards	1. Thomas Cook (India) Limited- Director and Chairperson-Stakeholders` Relationship Committee and Member-Audit Committee 2. IDFC First Bank Limited- Director and Member- Audit and Stakeholders` Relationship Committee 3. National Collateral Management Services Limited- Director and Chairperson-Audit Committee 4. Sterling Holiday Resorts Limited-Director
Number of shares held in the Company as on date of this Notice	4,280

Details of remuneration last drawn	₹240,000 p.m. as fees for providing IT Consultancy services as Professional Expert and Sitting Fees for attending the Board and Committee Meetings as applicable
Details of remuneration sought to be paid	Sitting Fees for attending the Board and Committee Meetings as applicable
Terms and conditions of appointment or re-appointment	Appointment as Non-Executive Director, liable to retire by rotation
Number of Board Meetings attended during the year	Please refer Corporate Governance Report which is a part of this Annual Report.

Annexure

Brief Profile of the Directors Seeking Appointment / re-appointment at the 28th Annual General Meeting
Mr. Pravir Kumar Vohra (DIN- 00082545)

Mr. Pravir Kumar Vohra has completed Postgraduation in Economics from St. Stephen's College, University of Delhi and he is a certified Associate of the Indian Institute of Bankers. He began his career in banking with State Bank of India where he worked for over 23 years. He has held various senior level positions in business as well as technology within the bank, both in India and abroad.

His assignments included responsibility for the technology function for State Bank's branches in the US and Canada. He also headed the Bank's Forex Division at New Delhi. The late 1990s saw Mr. Vohra as Vice President in charge of the Corporate Services group at Times Bank Ltd. He was responsible for spearheading the bank's technology enabled services to corporate in areas like cash management, supply chain management and merchant banking.

In January 2000, he moved to the ICICI Bank group where he headed a number of functions like the Retail Technology Group and Technology Management Group. From 2005 till 2012, he was the President and Group CTO at ICICI Bank. His focus was to ensure a meaningful alignment of Technology with overall business goals and obtain the best from people, processes and information within the organization. As a Group CTO, he played a key role in shaping the Bank's technology investments through repositioning strategies across both execution and product innovation. Mr. Vohra oversaw IT strategy & innovation, enterprise architecture, process automation, group IT infrastructure and was responsible for leveraging technology synergies across ICICI Bank and its group companies. He also carried additional responsibilities for facilities management, infrastructure and administration. In this capacity, he oversaw the roll out of new branches, ATMs, two state of the art data centers and a large 4 million square feet office facility at Hyderabad.

He has unique ability to evaluate technology from a business perspective, leveraging it to reduce costs or generate revenues combined with incredible foresight in an ever changing landscape. With a stint spanning close to four decades in the industry, Mr. Vohra has immense experience and knowledge in IT architecture, domain expertise in financial products, process re-engineering, IT operations and strategy.

Post his retirement from ICICI Bank in 2012, he mentored start-ups in the payments space and, more recently, completed a 2 year assignment with New Development Bank, Shanghai. He also continues to serve on the Technology Advisory Committees of organizations like the BSE Limited, NCDEX, Indian Clearing Corporation and Power Exchange India , etc. He also serves as an independent Director on the Boards of Thomas Cook India Ltd., IDFC Bank and NCML Ltd.

Mr. Vohra has served on numerous technology & functional committees set up by organizations such as the Central Board of Direct Taxes, the Unique Identification Authority of India (UIDAI) as well as the Reserve Bank of India, the Indian Banking Association and NPCI. He has also served as a nominee director on the boards of Loyalty Solutions & Research Pvt Ltd, ICICI Securities Ltd, Firstsource Solutions Ltd and as an independent director on MCX India Ltd., Goldman Sachs AMC (India) Ltd and Quess Corporation Accolades won by Mr. Vohra include The Asian Banker Achievement Award for Technology & Operations in 2006 and the Symantec Asia South Visionary 2008. He was also one of the three CIOs of international banks to have featured on the Information Week's Global CIO 50 List for 2009.

Registered Office:
Tower # 5,
International Infotech Park, Vashi,
Navi Mumbai – 400 703

November 8, 2021

By Order of the Board

Sd/-
Thompson Gnanam
Managing Director and Global CEO

Client Speak

1. 'Just wanted to take a moment to highlight and appreciate the hard work that the 3i Infotech team is doing during lockdown for FACTS Implementation. Attached below is the testimonial for your reference. "In this unforeseen situation of COVID-19 pandemic, I just wanted to highlight and appreciate the work of the 3i Infotech team for working with dedication on initial implementation of the FACTS Portal during this lockdown period. I would like to mention a special thanks for the hard work carried out by the team which deserves the highest appreciation. Keep up the good work! Take good care and stay safe."'. – **Kapil Dua, Project Manager – FACTS Implementation, SAS**

2. In this unprecedented situation of COVID-19 pandemic, I take this opportunity to appreciate you for the uninterrupted support for the smooth functioning of eDistrict project.

   I would like to mention a special thanks for the hard work carried out by you during this lockdown period through services rendered. You are requested to extend your continuous support with the same pace and enthusiasm. Keep it up!!! – **Ms. Jayashree Mishra, Sr.SA, eDistrict Odisha, Odisha Computer Application Centre, Technical Directorate of E&IT Department, Government of Odisha.**

   (The letter was addressed to Mr. Prabhupad Mohapatra, Presales Consultant (ADMS-E Gov Services, 3i Infotech Ltd.)

3. This is certify that Mr. Rakesh and his team, the employee of 3i Infotech, Noida, UP, is employed under onsite 'Software Developer' as mention vide IHQ MoD (Navy)/DIT under work order number IT/0631/18 dated 24 Dec 2018. The team have rendered appreciative services during Covid-19 pandemic lockdown period. – **Animesh Ghosh, Commander, Cdr(IT) – IS, DIT Navy.**

4. I am happy to place my deep sense of appreciation for the professional excellence shown by you with dedication and continuous efforts for advisory in implementation of IT initiatives in OSRTC. You truly deserve the recognition since you have been sincere with your work and have shown your highest degrees of commitment and professional competence to your service. I hope you shall keep up such high standard of professionalism in future.

   G. Srinivas, Principal Secretary, Commerce & Transport Deptt. and Chairman-cum-Managing Director, OSRTC, Praibahan Bhawan, Sachivalaya Marg, Bhubaneswar.

   (The letter was addressed to Mr. Sailendra Sethi and Mr. Saswat Swain, Senior Consultant,3i Infotech Ltd.)

5. "3i Infotech has been involved for over a year now with us in handling our client on boarding process. They take care of the in-bound client documents approval process, the reporting to exchanges, depositories and the KYC regulating agencies. Through this process, we have handed over the relevant function to 3i Infotech who have experience in this field allowing us to concentrate on client acquisition. They also provide solutions in this area which brings in operational efficiencies. We are satisfied with their services and look for a long term mutually beneficial relationship with them." **Nirav Gandhi, COO, JM Financial.**

6. "It has been a pleasure working with the everyone at 3i Infotech. The team has handled our implementation very professionally and have treated us like we were a fortune 100 company! From the design of our network architecture to the simplest aspect remote resource/printer detection, they brought an impressive team of specialists to the table to ensure our migration is as smooth as possible. Makarand & Rajat have made sure to avail themselves to me at any time I have needed them. A more open channel to our main points of contact could not be asked for. Communication, which is always one of the most important aspects of migration to the cloud has been a top of their priority with them. The constant updates and status meetings have been of great help! I look forward to our go-live and the solid support that I know 3i Infotech will continue to provide!" **David Ackerman, CIO, SunnyDays**

7. "We sincerely hope that you and your team are taking all necessary precautions and protecting your health during these unprecedented times. As we cross one milestone after another, my mind goes back to the beginning of our almost decade long association, starting with the initiation of the Trinity Project. Little did we know then, that this will be the bedrock and set the foundation on which a large part of our client acquisition will rest. Over a period of time, we have strengthened this association by adding more

assignments and projects. I am extremely proud of the journey we have traversed and am looking forward to this growing in the times to come. Continue to fly the flag high!" – **KN Krishnan, Sr. EVP, KOTAK SECURITIES LTD**

8. "We have been associated with 3i Infotech for over 2 years now and been quite happy with the overall performance of the team, right from sales to delivery. The technical team has always been there to promptly assist our team on ground with any issues. The team also plays a very important role of liaising and facilitating between an off-shore team and our end users. We look forward to continued relationship with 3i Infotech in the future." **Arjun Singla, Head of Operations & Special projects, Pearl Diary Farms Ltd.**
9. "Azizi appreciates 3i Infotech's professional IT Service Management, especially service delivery, change management, end-user support, SOC/NOC management, and last but not least cybersecurity services. Personally, I also thank you for the weekly service review and monthly reports that work as input to the Monthly CEO Dashboard report. Keep it up! Thanks again for your great support." **Dr.Syed Mahsud Ali, Chief Information Officer, Azizi Developments**
10. "The team is very cooperative and accommodating, were having concerned about the technical expertise within the team, but for the past 2 months, we are able to see some positive changes by the involvement of the technical expertise in the team. Overall including the past two months experience, can say that we are satisfied with the service." **Sunil Babu M, E-Commerce Manager, BFL**

Employee Testimonial

1. "I have been working with 3i Infotech since 13 years now, the best part of working here is the culture, the working environment and support of our colleagues with guidance of our seniors gives us strength, motivation and commitment to work and give our 100% every single day, Feels like home in here, Also the job satisfaction in 3i Infotech is perfect especially when you're working in a foreign land. The management takes good initiative for the wellbeing of its employees, even in covid situation the company has stood like a rock and supported the employees. Proud to be a part of 3I Infotech." – **Neetu Rebello, Manager – FMG, Administration, 3i Infotech Limited**
2. "I have joined 3i infotech in 2013, it was my first career in Indian Organization, it's a wonderful journey, on personal level I like the Indian culture very much, they are friendly and lovely people. I have learnt a lot on business side. The organization culture is supporting in every way possible, where they employee feels comfortable in all aspects." – **Samer Hamadneh, Senior BDM, 3i Infotech Saudi Arabia Ltd.**
3. "I joined 3I Infotech KSA in September 2012 and the journey so far has been exhilarating. I got the opportunity to work in finance department and I am representing before various statutory authorities in KSA. 3I Infotech is an excellent workplace with major opportunities to work and learn and aspire for additional skills. Incomparable support from top management I have and easy to reach till Ex-CEO and CFO for any compliance or any tax issues we face. In my earlier organization I was in a team and unable to take independent decisions on my own. 3I Infotech made me a tax expert during these 9 + years of association. I am extremely satisfied and delighted to be part of this organization wherein I can showcase my skills and continuously learn from my peers." – **Athar Hussain, Manager – Finance, KSA and Bahrain.**
4. ''At the onset, I never knew the complete strength and offerings of 3i as a company and was taken by great surprise to see the talent pool and offering that we have. I see a sense of company loyalty from team members mixed with genuine satisfaction. There is great energy from the top management that is contagious and glad to see that they invest in their employees' development that inspires both growth and learning. Since my joining in 2017, seen a lot of changes, with every change comes fresh energy, positivity and much learning. This is a great institution that helped me build a great career in the IT Business and ingrain a strong passion for Solution sales. I look forward to many more successful years with 3i Infotech." – **Pradeep P, Associate Director Sales (Middle East)**
5. It's been a highly complex journey during my 5 years tenure in 3i Infotech on various tools and technologies perspective.

Joined as a senior Performance testing resource specifically for Performance testing but as the initiatives for new tools and technology increased and given a chance to work on those lines, paved a way for bringing in research and development as a daily practice and thinking innovatively has been a norm.

All the chances given/taken were effective as well as challenging. My career turned completely into a Non-functional expert with Performance testing and Security testing as a base and moved towards DevOps with Security.

Not only improving my intrinsic and extrinsic skills but supported the team wherever they face issues technically and delivered collectively which in turn brought more scope for testing as a practice and DevSecOps from 3i Infotech.

On site opportunities were given, proved to be success and waiting for more opportunities on the way.

Knowledge management portal provided a collective platform for all the access related aspects, HRIS .etc. which helped employees to find what is required on a single platform. Management is open for new initiatives and supported at all times to achieve 100% desired outcome. – **SANAGALA VAMSIKIRAN, Test Manager – Application, Automation & Analytics Services.**

6. I had joined Feb 2018 and been working as a technical manager for IMS at Chennai. This journey has been like sharing my experience, knowledge, imparting best practices to my team and also got to learn technical side of things, at the same time I got to pick up the positive thoughts from the team. The ability the young team members show case, the maturity and culture they possess at work is like setting an example for others.

   I must confess, I have seen very talented resources in 3i, more importantly, the attitude that the team possess is heart-warming. I shall say, it's not common to find teams with a good attitude and sound in their skills.

   The work atmosphere is welcoming and there are debates meant to seek positive results. There are areas of improvements and there are areas that could have been better etc. Overall, we still seek to grow, both vertically and horizontal growth. Looking forward to growing along with organisation – **Sanjay Subramani – 3i Infotech (India)**

7. I Joined 3i Infotech in May'15 to implement Workforce Management process and it's been a great stint of 5 years. 3i Infotech has given me a lot of opportunities to learn new things and provided a growth path to my career. It was indeed a remarkable journey so far to work with many talented and great leaders. The core values of 3i Infotech – Innovation, Insight and Integrity has always enabled us to achieve excellence. Management team of 3i Infotech has indeed provided a great platform which enables each and every individual to grow abundantly in their professional path. To conclude, 3i Infotech is always a great place to work with. – **Fredy Xavier, Senior Manager, Business Excellence Team, 3i Infotech (India).**

8. I'm proud to say that I will soon be celebrating my 17th anniversary working at 3i-infotech. 3i Infotech is a great place to work! Here is a list of reasons why: Family friendly, flexible work schedules, open suggestions for changes, easy to implement changes, great co-workers, friendly environment, lots of learning opportunities, senior staff seems to really care that employees are happy and motivated, plenty of celebrations and lots of reasons to celebrate, company has strong community presence, company has a good reputation in the community so I am proud to tell people I work here. While I do appreciate all the company "perks", it's the company's culture of care and commitment to its employees and customers that tops my list.

   One particularly intriguing aspect of our work here at 3i Infotech is that the challenges differ from project to project. While we can apply similar tools in various situations, the circumstances are always different and thus require that we be on our game constantly to provide value to the client and that they are maximizing the use of their own resources while achieving their goals.

   The culture reinforced from the top down starts with the Senior Management team; a group of people who are refreshingly down to earth, accessible and compassionate. Our clients often tell me that we are a team of such happy people – evidence that 3i Infotech is a special place to work. It's inspiring to work for a company who honestly wants to do right by their customers and employees. It would be easy to work for a different company to get a paycheck but not just any company that can create a culture that makes me excited to come to work every day!"

I am truly proud to have been a part of such a beautiful organization with beautiful souls for such a long period. Looking forward to more challenges and more exciting journey with 3I infotech – **Srinivasan Jeyakumar, IMS Team, 3i Infotech (India)**

9. "I completed four years in this organization, and not only have I grown as a professional but also as an individual. In the last few years, I've got promotions, made great friends, and met charismatic leaders – when they address your team they help you feel a spark and motivate you to do your best. I consider myself fortunate enough to have encountered such talented, inspiring, and enthusiastic leaders, whom I've always found committed to excellence.

   The mantra of life means we need to be innovative, we need to transform ourselves to become more agile and open to challenges. I believe the key to success in the corporate workplace lies in self-motivation and a focused approach towards an individual goal. In the last few years, the driving factor in my career has been my passion for my work and a very positive work culture. I am thankful for the opportunities 3i infotech provided me." – **Kavita Shenoy, Manager – RTA – 3i infotech Ltd.**

   "3i Infotech is a really a great place to work. The culture is transparent, every employee, irrespective of their position is given a chance to be heard. There are ample opportunities available to the employees who want to build a career here. It is a organization with a sympathetic, contemporary, and innovative approach that distinguishes it from others. I have been with the organization for more than 20 years now, and have seen myself transform as a professional in many ways. My journey through these years has seen many changes and each time these have been for better. A very good luck to my company to become number one global player" – **Vijay Chauhan – Senior Technical Manager, INDIA OUTSOURCING.**

10. My journey with 3i Infotech technically started in 1994 when I joined as a Junior Officer in erstwhile ICICI Limited. In 1999, we were officially moved to 3i Infotech and have spent my best years given my best to the organization for over two decades. Ever since I joined 3i Infotech, it has been a great learning experience and an opportunity to contribute to the organizational goals at large. I have witnessed multiple challenges along the way relating to activities concerning Sub-division, Amalgamation, Bonus allotments, Public issues – IPO/FPO, Capital reduction and Consolidation etc. Each time we completed the projects, we were overwhelmed and excited. Experienced a sense of accomplishment. Have had the fortune to work with good seniors and teams who have been very supportive and co-operative. My clients have greatly appreciated my contribution especially when it comes to handling difficult investors which is my forte. I must say, I have evolved as a person and enjoy a good rapport with all my teams present and past with whom we still keep in touch. At the end of the day, it is not just about Transaction processing but rather Relationship building and enriching. I will always value and cherish my connections with 3i Infotech family. – **Rose Ann D'souza, Sr. Manager – Investor Relations Cell**

11. I started my journey in 3i Infotech in the year 2016. My role was Technical Manager. I had a hard time in my first project for at least few months as it was a mission critical one. Slowly it got turned to tone down month by month. My management helped me a lot and guided whenever I face challenges. Now that project has increased the size from when I started. Now, client always say 3I team as extended team of theirs and I was promoted as Operations Manager.

    After that I never had to look back and my organization also gave 3 promotions during the tenures of 6 years. My current role is Delivery Manager and handling 4 projects.

    I always encourage 3'Ds policy-Discuss, Debate, Decide which will help the team to open-up and express their views in the team meetings.

    Transitioning from a Technical Manager to Delivery manager role did have cons. I have an important role where my contributions are evident. Now I work with clients from various locations across the world, and it does feel a bit overwhelming sometimes. But I still enjoy the work more than anything else and I'm grateful for it. I believe Overnight success is a myth.

I learnt many things in this organization and can say proudly senior management of 3I is very helpful to our employees at work as well as at career.

Going forward, I'd like to help the organization which will help me automatically in my career path. **Siva Rao Rayi, Delivery Manager, ADMS, 3i Infotech Ltd**

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