



3i Infotech
Connect

**Empowering
Business
Transformation**

June, 2013

From the ED and Global CFO's Desk:

The last financial year was a year of consolidation for the 3i Infotech limited & its subsidiaries ('Company'). The Company took some strategic decisions to consolidate and grow significantly in the coming years like relaunch of products like Orion in India, expansion in the domestic BPO space in India and China, an entry into the Africa market and developing its key products.

Our main intent is to bring the company back into a sustainable position by focusing on the core aspects of the business and build on the inherent strengths that the company possesses and at the same time delivering the maximum value to our clients and other stakeholders.

On an operating profit side, the Company made an operating profit of ₹1.54 billion for the year ending March 31, 2013. The operating margins of the Company during Q4-2013 and Q1-2014, are comparable to its peers in the market. However certain non-cash items like increased interest costs (got converted into equity shares), depreciation and certain exceptional items resulted in a loss for the year. The Company is continuously in dialogue with its bankers and evaluating options to reduce its interest costs.

As we move forward, we will keep you updated on the developments at 3i Infotech on an ongoing basis. Your support has been invaluable to us as a Company over the years and we look forward to it in the future.

Have any questions or need any further clarifications, please feel free to write to us.

Meet Our Clients – Existing and New

3i Infotech is currently going through an exciting period of consolidation. To pace with this, the operating performance of the company is improved sequentially on a quarter on quarter basis. We are confident of maintaining and improving on the existing trends with our continuous efforts at excellence.

New Clients

We have been very busy adding to our base of trusted clientele across our various practices and geographies. Let us meet a few of them in this section.

Domestic Clients - new

- **Client:** The fastest growing Lending NBFC in South India
- **The 3i Infotech Solution:** Integrated System Order Confirmation from the fastest growing Lending NBFC

We have received a formal multi-million order confirmation for Kastle™ ULS and Orion™ from the fastest growing Lending NBFC.

An intense presales process was launched in August 2012 with targeted demos and was followed up with POC and micro detailed SOWs.

International Clients - new

- **Client:** Top insurance firm in KUWAIT
- **The 3i Infotech Solution:** Upgrade to the latest version of Premia™, version 10.

Since its inception a decade ago, the company has quickly become one of the top insurance firms in Kuwait. It is founded by leading insurance groups of the Arab and Kuwaiti market. The company has been a customer for PREMIA™ for over five years and successfully using Premia™ General Insurance Version 9, and recently decided to upgrade to the latest version of Premia™, version 10.

Moreover, they have chosen to automate their business operations by implementing three performance-boosting new modules of Premia™ – Premia™ Medical Insurance, Premia™ Life Insurance and Premia™ Portal; as well as the Premia™ Business Intelligence solution.

- **Client:** The largest public sector commercial bank in Sri Lanka
- **The 3i Infotech Solution:** Fifth deployment of AMLOCK™

The prestigious commercial bank in Sri Lanka has awarded the AMLOCK™ order to 3i Infotech, acting as a boost to our quarter. With this win 3i Infotech's reach in Sri Lanka market for AMLOCK™ has further expended with **five** deployments so far including large banks. AMLOCK™ now becomes the most widely used AML solution in Sri Lanka.

What is inspiring is that being the largest commercial bank in the country, is a benchmark for all banks in Sri Lanka. Having achieved this critical account, AMLOCK™ further reinforces its position as the most preferred solution in the market. 3i Infotech intends to leverage on this to spread its reach further in the Sri Lanka market and firmly establish its leadership position in the country in banking software solutions.

What is of significance is that not only this deal comes from the biggest bank in Sri Lanka, it also comes at the highest single deal value for AMLOCK™ from this market!

- **Client:** One of the leading IT distributors in the Middle East and Africa region.
- **The 3i Infotech Solution:** Upgrade their Orion™ system from 10.4 to the latest 10.6 version.

Over the years, the company has developed a substantial business outreach spanning across UAE, Saudi Arabia, Kuwait, Oman, Qatar, Bahrain, Lebanon, Jordan, Egypt, Cyprus and North Africa.

It has been satisfactorily using Orion™ for their IT distribution operations for several years now. Owing to the exceptional capabilities and domain experience that Orion™ possesses in the distribution industry, it recently decided to upgrade their Orion™ system from 10.4 to the latest 10.6 version. **This deal is yet another affirmation of the trust that 3i Infotech's customers continue to place in the company!**

- **Client:** One of the leading syringes manufacturing company in Kingdom of Saudi Arabia
- **The 3i Infotech Solution:** Empowered with ORION Manufacturing suite

A wholly owned Saudi enterprise established in 1979. Presently products are manufactured in Dammam, Saudi Arabia and Dubai.

The company has now been empowered with ORION Manufacturing suite, which enables them to handle the complex business challenges, which lies in the Manufacturing process Governed with Good Manufacturing Practices laid-down by WHO, German standards (DIN 13098), FDA and ISO 9002.

- **Client:** One of the leading private banks of Myanmar
- **The 3i Infotech Solution:** Kastle™ Core Banking Solution

3i Infotech has been awarded a contract to license and implement its KASTLE™ Core Banking Solution at **this leading private bank in Myanmar** focused towards the fishery sector of Myanmar. The bank was formed to give a boost to the fishery industry of Myanmar and is considered one of the most reputable banks of Myanmar. Among other banking business, the bank is also active in Micro Finance activities.

We have successfully opened up the unexplored Myanmar market, which has taken centre stage in the region, due to the sweeping new reforms and policies leading to opening up of the economy. With this win, we have also been able to establish ourselves as one of the few vendors having a core banking customer in the local market.

- **Client:** A publicly owned bank headquartered in Abu Dhabi, United Arab Emirates
- **The 3i Infotech Solution:** Renewal of existing services and additional services for the next 12 month with a multimillion dollar contract.

The contract is a renewal of existing services and additional services for the next 12 months and reaffirms the trust that our customers place in our services. With this, this strategic account is now an approximately multimillion dollar account with a potential to grow by 10 - 15% during next financial year.

This is currently one of the fastest growing bank in the region and have been expanding their overseas presence. They currently have presence in Singapore, Qatar, Hong Kong and India. Our growth is therefore tied to the trajectory of this dynamically expanding bank.

- **Client:** It is a leading insurance company in East Africa.
- **The 3i Infotech Solution:** Extended their support of Premia™ General Insurance for their new set up in Mauritius.

Jubilee Insurance has been a satisfied customer of Premia™ General Insurance Solution for over a decade for their Kenya, Tanzania, Uganda and Rwanda operations.

This win not only brings our Premia™ customer count in Mauritius up to seven customers, but also reminds us of the constant support extended to us by our customers.

- **Client:** One of the leading distributors of Electrical Fittings in Dubai
- **The 3i Infotech Solution:** 3i Infotech's Orion™ Enterprise Manufacturing module, for their new line of business

Established in the year 1996 with headquarters in Sharjah (UAE), the group has established itself amongst the most successful businesses in the region, with operations spanning across the globe.

It has recently decided to implement 3i Infotech's Orion™ Enterprise Manufacturing module, for their new line of business of electrical pipe extrusion. Owing to its vast experience in both manufacturing and distribution industries, Orion™ will be able to largely assist the company in enhancing their business operations. Moreover, the group has decided to go for Orion's™ Incentive Tracking System for their sales team, as well as Stock Allocation solution of Orion™ Distribution module, to complement their distribution network.

Existing Clients

Our proactive efforts in acquiring strategic new clients are matched by our commitment to our existing ones across various geographies. Our existing clients have reposed faith in us to provide them seamless and powerful services to help their business. This is demonstrated by the fact that they continue to expand their base of operations with us by including new 3i Infotech products and solutions from our vast portfolio.

Domestic clients - existing

- **Client:** India's largest private sector bank
- **The 3i Infotech Solution:** AMLOCK™ Version Upgrade successfully rolled-out at nine international locations

3i Infotech's AMLOCK™ team has added yet another feather to its cap with the successful implementation of AMLOCK's™ advanced version upgrade (FCDMS) at nine international locations of this largest private sector bank. The association between the bank and our AML product goes back to 2006 when the product was first implemented to meet the initial AML regulatory requirements.

In keeping with its reputation as being a pioneer in adapting to the ever-changing compliance environment, the bank then opted for a version upgrade for our solution in Jun 2012. It became the first bank in India to opt for our latest version. Responding to the challenge, AMLOCK™ team was successful in delivering the advanced version of the solution along with respective regulatory changes in each of the nine geographies as per the agreed timelines. The bank has placed on record their appreciation for the successful implementation of our solution in all of its international locations – viz. **US, UK, Canada, Hong Kong, Sri Lanka, Bahrain, Singapore, Dubai (UAE) and Germany.**

- **Client:** A global networked retirement firm
- **The 3i Infotech Solution:** Successful completion! The 'YMCA Employees Retirement Data Interchange' (YERDI) rewrite project in US.

The YERDI application has been successfully moved to the production phase on March 18, 2013, and has since been stable and functioning smoothly. Most of the 900 branches have submitted their transmittals more than 3/4 times, and the month-end process have been completed without any issues. This was a complex project, considering that we had to reverse engineer the legacy application and extract the functionality from the maze of VB\Asp\SQL procedure and views\etc. Additionally, we also had to handle multiple interfaces like YRS, ET, etc.

We had to design\implement the new app in such a way that we retain the core functionality and also are able to make changes to application-flow to make it easier and more user-friendly. While the client was always satisfied with our suggested design\flow change, they now have fully appreciated our efforts towards go-live and the follow up release. Their recognition of our efforts has given stimulus to our focused inputs.

Here is what the customer has said:

I wish to express my thanks to 3i Infotech YERDI staff for all of the hard work done to complete the deployment of the new YERDI application. We have worked with the new YERDI application for two months now and I can report that everything is functioning quite well. Unlike our projects in the past, the re-write of our YERDI application was a very large undertaking involving complex integration with YRS, QAS and ET. There were many adjustments along the way that I know required many long hours of hard work on the part of your team in order to stay on schedule. Once again 3i's knowledge, abilities and focus on delivering quality work has served us all well.

On behalf of myself and the YMCA Retirement Fund, I wish to express my great appreciation for everything you have accomplished. - **YMCA Retirement Fund**

- **Client:** A PSU, head-quartered in Kolkata
- **The 3i Infotech Solution:** One from Treasury and Risk Management Team for 'Go Live'

Kastle™ Treasury and Kastle™ Risk Management has gone Live at the bank at their FCTM (Forex Cum Treasury Management) branch in Fort Mumbai.

Implementation at Allahabad was unique compared to other banks, wherein they followed separate position and non-position fundamentals which no other bank follows for which we had to change the core design of our product. Also, as this was the first implementation on the newly formed structure on Common Source, there were new challenges at our end.

International clients - existing

- **Client:** A public joint stock company jointly owned by the Ajman Government and other investors.
- **The 3i Infotech Solution:** Successful implementation of Orion BI in a BOX using Oracle APEX Technology

The company provides an entire spectrum of ship repair, conversion, shipbuilding and steel fabrication services to the marine, offshore and engineering industries.

They have been using Orion™ for past 10 years and upgraded into latest version of Orion™10.6. The ORION™ Delivery team successfully implemented ORION BI in a BOX. The challenge was in this project to **understand the complex contracting & services as well other business processes MIS dashboards.**

- **Client:** A US-based health related supply chain company
- **The 3i Infotech Solution:** ORION™ ERP and the CRM solution

The company executes major health projects with USAID (US govt. agency) valued at about multimillion and Global Fund (Internationally financed) in more than 100 countries. 3i Infotech is the prime IT application and service partner for it. These partners together help the organisation manage and execute the global supply chain.

They have been using ORION™ ERP and the CRM solution since 2006. This solution is being used by over 400 users in over 100 countries.

- **Client:** One of the largest global banking groups
- **The 3i Infotech Solution:** NRT RDM File - Balanced and processed by the client

The Group, North America, has processed for the first time the NRT ECD work without having the Data Service monitoring the schedule and/or assist to recover the errors. The entire process is fully automated and Data Service is out of the loop going forward. The name of the project is ADM Services for Mainframe applications.

Here is what the satisfied customer said:

"Today we processed for the first time the NRT ECD work without having the Data Service monitoring the schedule and/or assist to recover the errors. The entire process is fully automated and Data Service is out of the loop going forward." said ICG-IT

- **Client:** One of the largest banks in pension fund business
- **The 3i Infotech Solution:** Implementation of MFund

Subsequent to the launch of pension fund business by the bank, 3i Infotech SAG sales team has managed to bag an order for MFund with the new entity. This is a case of expansion of the existing relationship and getting new business from the customer.

- **Client:** One of the fastest growing banks in India
- **The 3i Infotech Solution:** Upgrade the current platform by providing the latest integrated version of AMLOCK™

The bank— an existing user of AMLOCK™ - was searching for options to enhance the AML Platform.

3i Infotech persisted with its offer to upgrade the current platform by providing the latest integrated version of AMLOCK™ which comprises of some fraud features as well, which was the primary requirement of the client. As an outcome the client stuck to AMLOCK™ and upgraded the platform. The bank has been a great supporter of AMLOCK™ and apart from using the software (now the upgraded one) for its principal compliance operations in India; the bank has launched this software in five different foreign operations such as Hongkong, Singapore, Dubai and with two new order in the current financial year (August 2012) for UK & Sri Lanka Operations. With this **AMLOCK™ has truly become a global anti-money laundering compliance platform for the bank**, each engagement rendering a healthy license and service revenue for 3i Infotech.

- **Client:** A large health insurance firm in New Delhi
- **The 3i Infotech Solution:** Providing investment management application

The insurance firm would be using our Quantis Application and will also upgrade to MFund Plus. With this we have acquired the umbrella of Group companies. We are targeting this as our next big group to expand and grow with. With this win, 3i Infotech has more than 50% of insurance industry in India using its Investment Management Application.

- **Client:** A national health insurance firm
- **The 3i Infotech Solution:** DBA support services

We successfully overthrew an attempt to snatch the account by another support vendor providing support on hardware and End User Support. However, our efforts ensured that the account stayed with us.

- **Client:** Offshore corporate services hub
- **The 3i Infotech Solution:** Successful implementation Orion 10.6

The company's services support the Procurement & Supply Chain and HR functions. The parent Group is a major Nigerian Conglomerate and a highly respected member of the Nigerian business community. The company possesses profound knowledge of the country's social complexities and the political, economic and corporate systems, particularly those in the energy, real estate and manufacturing sectors.

The ORION™ delivery team has successfully implemented ORION™ for the company and they have gone live as per plan.

- **Client:** One of the MEA region's oldest local financial institutions
- **The 3i Infotech Solution:** Successful implementation of Kastle™ Treasury Management module

The client offers a range of personal and small business banking services through its branch network as well as its Telephone, Online and Mobile Banking channels. It is one of the banks that operates under Conventional Banking and also possesses an Islamic Window.

To power their Treasury functions, the bank had selected 3i Infotech's Kastle™ Treasury Management module having end to end STP of Front, Mid and Back Office. The solution covered all parts of treasury including Money Market, Forex, Fixed Income, OTC Derivative and Structured Products. The bank has been provided with seamless integration with their Core Banking Solution, Equation covering online transaction update and then we had helped them to upgrade to their latest Core Banking System ie, Finacle.

We also upgraded the Bank to Islamic Treasury modules. This is the first implementation of Islamic Treasury using modules of Kastle™ Treasury.

- **Client:** A wholly-owned legendary Omani company
- **The 3i Infotech Solution:** Successful Upgrade of Orion 10.6

The company has been established for over 26 years, with a current annual turnover in excess of RO of multimillion. They are registered as an Excellent Grade Contractor for Civil Engineering works. They have been using ORION for

more than 7 years and decided to upgrade to the latest version of ORION. The ORION Delivery team successfully upgraded them to ORION 10.6 and they have **gone live as per plan**.

- **Client:** A leading bank at UAE
- **The 3i Infotech Solution:** Implemented 'Draw Management System

EM ADMS and Consulting delivery team of 3i Infotech team has successfully implemented 'Draw Management System' at this bank.

- **Client:** Middle East Operations of one of the top automobile firms in the world
- **The 3i Infotech Solution:** GO LIVE of the third application from ADMS

The global firm's Middle East branch has already been using two applications developed by our ADMS team. They recently announced a launch of the third application developed by the ADMS team for their **Travel & Expense Administration Management (TEAM)**.

TEAM is developed using Microsoft SharePoint 2010. It's an internal web based system which will streamline travel approvals, expense reporting and expense settlement process. This system is integrated with their backend Accounting System, Corporate Credit Card Vendor to provide seamless integration in the process. Since the operations is primarily focused on sales within the Middle East region, this application will be heavily used by employees of the company. This milestone was well orchestrated with very close coordination between onsite, offshore & customer team.

- **Client:** A top insurance firm in Mauritius
- **The 3i Infotech Solution:** Go Live from 1st April 2013 of Premia™ Life

No doubt, this is the real esteem (GOLIVE acceptance) got for the fair/remarkable/continuous amount of hard work put in by the entire project team.

- **Client:** Leading Insurance Broker at UAE
- **The 3i Infotech Solution:** Go-live of first PREMIA™ 11j Broker Project

3i Infotech team got Broker JAVA projects at the leading Insurance Broker at UAE, which is currently in the progress of implementation. The journey of achieving this milestone was a roller coaster ride in both project execution and in delivery perspective. Being the first broker JAVA project reaching this milestone of Live, this was quite challenging and the learning in terms of customer expectations and market requirements, upgrade challenges has enabled to imply such experience in our upcoming execution for the betterment of product.

- **Client:** A community center in Dubai
- **The 3i Infotech Solution:** Successfully launched Commodity Murabaha service

DMCC Tradeflow offers a secure and transparent solution for Sharia Compliant Commodity Murabaha transactions. The challenge for DMCC was to set up for a robust system that can provide them with a sophisticated solution to cater to Islamic Financing nuances and Sharia Compliance and cater more efficient Trade Financing services electronically enabled.

Here what the customer has said-

As we have launched the Murabaha module of the Tradeflow platform on the 26th of March 2013 which has fulfilled the pressing need for a reliable and real commodity base for conducting Murabaha transactions and will boost a significant increase in trading activity by Islamic financial institutions from the UAE and abroad as a result; we would like to sincerely thank 3i team for their contribution, effort and support in the development and launch of the Murabaha module of our Tradeflow platform which took around 15 months of journey.

In spite of Islamic Finance requirements being complicated and partly having un-common requirements comparing to the other financial tools; we admire the achievement of 3i team in understanding, designing and developing our Murabaha module.

We would like to once again thank you and hope our excellent relation with 3i will lead to the continuance of structuring more modules to our Tradeflow platform. - **Tradeflow Service Owner & Warehouse Analyst and Inspection Manager, DMCC**

Client Appreciation: A commitment delivered

- **One of the leading international Bank's cheque Truncation system deals with processing of electronic cheques such as cheque truncation at presenting bank and electronic cheque presentation to RBI. This** will help reduce cheque clearance time, manual intervention and the clearance cost and also supports latest new cheque format of CTS 2010.

Team has been appreciated by the Bank (Regional Processing Center) - *for the first time ever, they have presented 85950 cheques with complete faith in our capabilities. This is a standing testimony to their belief in our solution finding capabilities and an impetus for us to gain greater heights. What we take away is a confidence that we can successfully deliver any volumes that business throws at us.*

- **Manyata PRIDE Award, Manipal Hospital, Bangalore**

On Mar 7, 2013, Manipal Hospital, Bangalore witnessed an Emergency situation. At 1:15 pm the fire alarm was raised from lower basement and it was known that there is a fire in CT, MRI UPS rooms. This emergency was successfully tackled without any issues and all the teams have worked together.

To ensure the all the IT services are available and to run the business as usual, **our EUS and DC-OPS** teams have contributed an extremely outstanding support in enabling the new systems at the other location in the same building and in enabling the network availability with successful output.

As a result of this, the top management of MHEPL has recognized the efforts of our team and awarded the team with '**MANYATA-PRIDE AWARD**' on March 13, 2013 for going beyond the call of duty in presence of the Senior Leadership Team.

- **Appreciation from Department of NRHM, Government of Andhra Pradesh**

The Government of India (in collaboration with ICICI bank) had launched "National Rural Health Mission" to carry out necessary architectural correction in the basic health care delivery system. We got engagement in this project as "Technology Partner" of ICICI Bank. NRHM Andhra Pradesh has conceptualized the 'Physical and financial tracking application' with the objective of effective administration so that the schemes reaches the needy ones. This application helps the department to allocate and track the funds released by the GOI. The application is live and being used by the department extensively.

Here what the customer has said:

This is to certify the completion of the Application development and implementation of 'NRHM-Physical and financial tracking System, Andhra Pradesh'. We are glad that this project which was conceptualized by the Managing Director, NRHM, Andhra Pradesh, is being successfully implemented in collaboration with ICICI bank (our banking partner) and 3i Infotech Limited their technology partner. We really appreciate the contribution of 3i Infotech team in development and implementation of this project in a short span of time. This is a unique mission mode project taken up by the Ministry of Health to track the physical and financial transactions of NRHM. This is being appreciated at the national level. The tireless and timely efforts of following team members are highly appreciated. - NRHM, Andhra Pradesh

Awards and Accolades:



3i Infotech has once again been presented with an award at the prestigious “**Systems in the City**” ceremony for its stockbroking and wealth management solutions Category Cost Effective Solution Jun, 2013.



Ranked 60th in PwC report May, 2013 top 100 vendors in emerging market and among one of the 16 indian companies in the list.



US Consul General honors 3i Infotech Ltd. with the “**Best Enterprise Resource Planning Solution for MRD and BFSI**” Award, May 2013

3i Infotech in the News:

Jagal Group Deploys 3i Infotech’s ORION 10.6 Project Implementation Solution Consecutively for Two Years Systems

3i Info hopes to emerge out of crisis this quarter

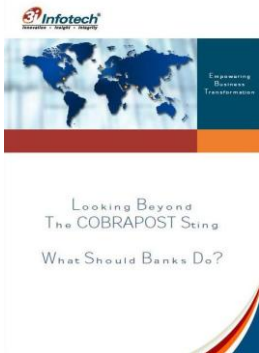
Watch Madhivanan Balakrishnan, MD & Global CEO, 3i Infotech Limited Live on NDTV Profit

US Consul General honors 3i Infotech Ltd. with the “Best Enterprise Resource Planning Solution for MRD and BFSI” Award

Watch Charanjit Attra - ED & CFO, 3i Infotech Ltd. Live on CNBC Bazaar Open Exchange show on 14 May, 2013

Watch Charanjit Atta - ED & CFO, 3i Infotech Ltd. on CNBC Awaaz Know Your Company show on May 14, 2013

3i Infotech's Whitepaper



In March 2013, COBRAPOST, an online magazine, carried out a sting operation alleging that employees from three private sector banks had violated some of the money laundering rules and guidelines set by the regulatory authorities.

The highlighted modus operandi included opening of accounts without the mandatory PAN card, opening of accounts to route the cash into the Bank's menu of insurance products, facilitating splitting of the money to evade detection, using dummy accounts to faceplate the conversion of black money, modifying the client profile to make the investment unquestionable and helping the clients to transfer black money abroad through the non-resident accounts

[Click here, to read or download the White Paper](#)

Way Forward:

Your support has been invaluable to us as a company over the years and we look forward to it in the future. As we move forward, we will keep you updated on the developments at 3i Infotech on an ongoing basis.

For any clarification, please feel free to write to 3IINFOTECHCONNECT@3i-infotech.com, corporate@3i-infotech.com or tina.dutta@3i-infotech.com

Disclaimer:

Except for the historical information contained herein, statements in this release, which contain words or phrases such as "will", "would", "expect", "believe", and similar expressions or variations of such expressions may constitute "forward-looking statements". These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of our principal international markets, the performance of the industry sectors in which our clients are based, the performance of the information technology industry sector world-wide, competition, our ability to obtain statutory and regulatory approvals and to successfully implement our strategy, future levels of our growth and expansion in business, technological implementation, changes, advancements, and redundancies, the actual demand for software products and services, or the future potential or feasibility thereof, changes in revenue, income or cash flows, our market preferences and our exposure to market risks, as well as other risks. 3i Infotech undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.