

**OCTOBER, 2018**

**Note from the MD's Desk**

**Padmanabhan Iyer**  
**MD & Global CEO**



**Dear Mrs. Aparna Venkatesh,**

**Greetings from 3i Infotech Ltd..**

I am glad to inform you that FY2019 has started on a heartening note. Both Core Products & Services (excluding a subsidiary planned to be divested) have shown growth on a comparable basis.

- Core Revenue from operations for Q1 FY 2019 stood at INR 209.21 crores compared to INR 191.54 crores in Q1 FY 2018.
- Core operating profit for Q1 FY 2019 is INR 26.29 crores vis-à-vis INR 27.69 crores in Q1 FY 2018
  - Q1-FY2019 operating profit is after considering the cost involved in substantial augmentation of the Company's resource pool in preparation for planned growth
  - The Company does not capitalize any of its investments in Products and Services, but charges these amounts to the P&L in the period in which it is incurred
- Core net profit of the Company for Q1 FY2019 is INR 14.93 crores.
  - The corresponding figure for Q1 FY2018 was INR 16.65 crores.
  - This is before the notional charge mentioned in the following point
- As required under IND-AS 109, the Company is required to account for a notional charge on financial instruments based on fair market valuation. This applies to preference shares, FCCBs and interest free debts. This amount is INR 9.74 crores in Q1 FY2019 and INR 8.88 crores in Q1 FY2018
- Core profit after tax, after the notional charge mentioned above, stood at INR 5.19 crores for Q1 FY 2019 vis-à-vis INR 7.77 crores in Q1 FY2018.

The outlook appears positive and the Company is poised to accelerate on the growth path. We will keep you updated on developments on an ongoing basis.

Regards,  
**Padmanabhan Iyer**  
**MD & Global CEO, 3i Infotech Ltd.**

## NEW LAUNCHES AND UPGRADES

### Conversational Services

3i Infotech Services – Alitray™ recently launched its ‘Omnichannel Solution - Conversational Services’ powered by Artificial Intelligence. The solution provides enterprises a 360 degree and holistic approach to converse with their customers and enhance the overall experience.

With a voice led omni-channel experience being the new normal for industries, the solution demonstrates how a customer initiates simple or complex transactions using voice interaction and if necessary, continues through other digital channels like bot, mobile, portal. For example the customer can apply for a loan product or applies for insurance products or verifies balances or renews policies etc using voice activated commands tagged to a digital device like her cell phone or any other Artificial Intelligence (AI) powered device. The solution is programmed to converse with customers, understand requirements, capture requisite data and pre-populate forms where possible, and use social media like LinkedIn or bank aggregators as its source of information.

To know more, you can watch a video at: <https://www.3i-infotech.com/altiray/whats-new/>



Alitray™, the Services arm of 3i Infotech, launched Maggie – a Virtual IT Engineer. Maggie is part of a cognitive service desk that helps contact centres address hundreds of digital-age user requests simultaneously anytime and from anywhere.

Powered by AI and combined with Natural Language Interface, which helps it understand user queries and learn from past experience, Maggie aims to reduce human intervention in communication and operations. Automating most of a company’s IT operations, Maggie is based on a framework that can be further customised with open Application Programming Interfaces (APIs) and technologies needed by enterprises of any size. A simulated engineering environment provides a user-centred, first-person perspective and enables end users to interact with an engineered system naturally and provides them with a range of accessible tools. With Maggie, the objective is to resolve conversational requests automatically through more natural interactions over a chat as well as help to perform health-checks of infrastructure and applications using incident management automation.

### AMLOCK 4.1

3i Infotech announced the release of AMLOCK version 4.1 which is the first release out of the 4 quarterly releases planned in FY19 as part of the yearly product roadmap. The Company has made significant progress towards product enrichment over the last 15 months, where the

cumulative of all the releases made during the last Financial Year has helped to launch the version - AMLOCK 4.0 in April 2018.

The upgrade includes significant enhancements across the Screening and Risk Categorisation modules based on various inputs from internal and external stakeholders. Also the features have been redesigned considering the latest regulatory guidance and requirements. Here are some of the release highlights:

### **Sanctions List Screening**

- **Search Engine:** Feature for the end user to design their own screening rules to enable the institution to have the flexibility to include various secondary identifiers
- **Scan Reports :** A single customer view showing all the matches of a customer over time and the ability to do a multi-level investigation on them with Dashboards
- **Adhoc Bulk Screening:** User can upload bulk data for screening with further improvement to store required matches and generate MIS reports

### **Risk Categorisation**

- **Customer Type wise risk :** The Customer risk rating model has been stratified based on Individual and Entity types, where fundamental components of KYC and Transaction Monitoring that impact the AML risk, have also been included as risk parameters
- **Risk Override:** High risk indicators like Match with sanctions, previous STR reporting have been included in the Overriding Parameters function

### **Dashboards**

- Additional functionalities included enables the user to plan and prioritize their AML investigation by viewing summary information across various dimensions

## **Kastle Treasury Upgrade**

3i Infotech announced the launch of its latest version of Kastle<sup>®</sup> Treasury as part of the Company's constant endeavor and commitment to provide value addition and latest technological innovations and advancements to its customers. Kastle<sup>®</sup> Treasury has been upgraded to latest technology stack to allow clients better control of their internal process lifecycle. This is further proved by the implementation of this latest upgrade in one of the largest banks in Africa, which chose this version based on its simplified modules and user friendly interface, for easy adoption.

The product significantly enhances the operational efficiency of Front Office, Mid office and Back office business users. Here are some of the release highlights:

- **New functionalities added**
  - Feature to enable the process of Mark-to-market (MTM) for the existing Swap deal position
  - Non-Deliverable Forward (NDF) feature provides the facility for those clients who are seeking to hedge exposure to foreign currencies that are not internationally traded or whose trade is limited/restricted in domestic market
  - Charges on Charges that incorporates the auto-calculation of additional charges on any of the current defined charges
  - Flag based Accruals and Amortization

- Feature that allows definition of multiple levels to a particular parent limit, thereby monitoring and updating the individual & child limits simultaneously when the parent limit is updated, as per the defined hierarchy
- **We have done enhancement in following modules**
  - Activity Forecast related reporting enabled in Derivative (OTC) module
  - LC Extension functionality has been added to the Trade Finance module
  - Forex module includes Non-Deliverable Forward (NDF) Functionality and Purpose level accounting Setup
  - Common/Generic features including Scrip master modification, Hierarchical & Earmarking Limits, NHB Scheme and Holiday Marking related changes
  - Flag based auto FO authorization for automatic authorization of deals
  - Housing Finance related enhancement to the Issuance and Funding modules

## Key Clients Wins



- A leading Bank based in Ghana selects AMLOCK® to fortify its Operational Risk Framework – to address its requirement of both AML Compliance & Real-Time Fraud Detection
- A financing institution that is a Market Leader in the KSA region chose Kastle® ULS, AMLOCK® & ORION® for their end to end IT transformation plan to enhance their customers' experience
- One of the top housing finance companies in India choose Kastle® Treasury as a single solution to automate all of their treasury and funding operations
- A Government of India undertaking implemented Kastle® Universal Lending System (ULS) to manage their loan disbursements. It was also integrated with their existing systems from Altiray™. The system was implemented in a record 38 days, which was highly appreciated by the client



- A government owned Ethiopian Insurance company chose to implement PREMIA® Business Intelligence module
- A leading East African Insurance company chose to upgrade and replace their current system with a more robust, dynamic and scalable PREMIA® 11
- One of the leading PSU insurers in India extended their existing engagement for uninterrupted service to provide L1 and L2 helpdesk support through the ODC model for the PREMIA® application and to support the integration of the PREMIA® core application with their retail portal
- One of the pioneer insurance companies in Ethiopia upgraded to the PREMIA® 11 solution to keep up with their growing business needs and aggressive expansion plans



- One of the largest car rental companies based in the Middle East upgrades to ORION® 11j and opted for ORION® Leasing and Rental solutions to help scale up efficiency, enhance productivity and improve their bottom line
- A leading insulation company based in UAE chose ORION® to leverage its manufacturing module for key focus areas such as costing, raw materials planning and overheads control
- One of the leading extruder of aluminum profiles in GCC chose ORION® 11j to automate the entire process from enquiry and design to delivery and thereby streamline their operations
- A KSA based manufacturer of environmental protection essentials chose ORION® 11j to solve their long standing problems of inefficient production processes, lack of systems integration, unchecked inventory and data silos hampering management decision making



- One of the top financial solution providers in Singapore chose Altiray™'s Professional Services solution to support their digital transformation projects
- A leading market intelligence and advisory services company has partnered with 3i Infotech to implement Altiray™'s Business Intelligence and visualization platform for their end customer.
- One of the largest providers of consumer financial services in North America chose Altiray™'s Testing solution – Flexib - Swift Test Automation to test the integration of their loan management system with their 40+ internal applications
- A prominent housing finance company based in India has partnered with 3i Infotech for Altiray™'s Managed Services, ADMS and Professional Services to support the development of their IT hub and receiving.



## EVENTS

**3i Infotech participates in the American Banker Retail Banking Conference in Colorado Springs, US**

3i Infotech was part of American Banker Retail Banking Conference in Colorado Springs, US , from April 9-11 ,2018. The theme of the conference this year was “Reshaping Retail Banking”. It brought together pioneers from the Banking and Technology industries to help institutions address changing customer demands and market requirements. Discussions lingered on innovations necessary to remain relevant and pursue continued opportunities for growth in the coming years. Our team also used the forum to demonstrate our new offering – Conversational Services, which helps enterprises converse with their customers using a Voice based UI and enhance the overall experience.



### 3i Infotech Participates in AIO Ghana

3i Infotech was part of 45<sup>th</sup> Conference & Annual General Assembly of the African Insurance Organization (AIO) at Accra, Ghana. The team connected with premier Insurance companies in the region and interacted with senior level executives. It was a great session, where the team was able to garner good prospects, which will go a long way in creating inroads into the African markets.



### 3i Infotech and Oracle partner for an event in Nigeria

3i Infotech partnered with Oracle for an event in Nigeria on 3<sup>rd</sup> May 2018, at Eko Hotel, Lagos. The topic for the session was “Riding the wave of Digital Disruption in Insurance and Investment Management”. The event highlighted the current need for the Asset Management & Insurance sector to make significant investments in technology to capitalize on information and mine valuable analytics & insights. The presentation showcased by 3i Infotech focused on how the insights derived from volumes of data are key to improving customer experiences.



### 3i Infotech participates in and co-sponsors the "29<sup>th</sup> EAST ASIAN INSURANCE CONGRESS (EAIC)"

3i Infotech participated and co-sponsored the 29<sup>th</sup> EAIC, a premier biennial insurance event held in Philippines, on May 6-9, 2018. Themed “Managing Disruptions, Driving Change,” the event offered solutions and strategic tips to cope with issues and guide industry players to emerge as winners. The 3i Infotech team interacted with many insurers and outlined 3i Infotech’s value addition in the digitalization and automation space for the Insurance industry.



### 3i Infotech does a joint event with Oracle in Kenya

3i Infotech had a joint event with Oracle in Kenya on 10<sup>th</sup> May 2018, at Radisson Blu. The session focused on Digital Disruption in Insurance and Investment Management industry. The presentation by 3i Infotech showcased how digital innovations are disrupting the Insurance & Investment Management industries and how investments towards improving customer experiences is the need of the hour.



### 3i Infotech participates in International Factoring Association (IFA) 2018 in Miami

3i Infotech participated at the 24<sup>th</sup> edition of the International Factoring Association (IFA) conference, held at Hotel Fontainebleau, Miami in June 2018. The Company showcased the Factor/SQL solution, a cloud-ready factoring solution which is very popular among American banks and factoring companies. The team took the opportunity to hold a Factor/SQL User Group Meeting to update them about the product roadmap and inviting suggestions and recommendations for further development. It was a highly successful networking event and helped create tremendous visibility for 3i Infotech as a technology partner.



### 3i Infotech hosts Blockchain Summit 2018

Altiray™, the Services Business of 3i Infotech Limited along with Dun & Bradstreet presented the Blockchain Summit 2018 on 13th July 2018 at St. Regis Hotel, Mumbai. The summit focused on 'Blockchain Adoption Strategy and Challenges', and highlighted the power and disruption potential of Blockchain. The event saw extensive senior executive participation from across prominent companies. The session was highly interactive with views, counter views and deliberations on use cases and what will eventually define Blockchain's success – all of which bore testimony of the event's enormous achievement.



## AWARDS & ACCOLADES

### 3i Infotech's BPO team wins the Best Service Provider award

3i Infotech BPO provides services to one of the top Insurance companies in India for managing their claims and advisor licensing process. They have commemorated the company with the "Best Service Provider" award for the 3rd consecutive year. The team was felicitated during the client's "Tatva Annual Awards '18" function, held on April 26<sup>th</sup>, 2018.



### 3i Infotech Features In HT Mint "Brands To Lookout For - 2018"

3i Infotech featured in HT Mint's 3rd edition of "The Brands To Look Out For - 2018" published on 29th May 2018.

The article highlights the financial turnaround of 3i Infotech with a Protect-Consolidate-Grow approach, the company's new logo launch and the recent rebranding of the Services business to "Altiray™". It articulates our strong domain expertise in various industries and our expanding base in new markets



**Petrolimex General Insurance Corporation (PJICO) releases a video detailing their journey with PREMIA®**



Subsequent to the Go Live of PREMIA® the client, PJICO has released a video detailing their experience during the application's implementation. PJICO has become one of the first non-life insurance companies in Vietnam to successfully deploy the PREMIA® core software and apply it synchronously in the context of its information technology system. With this deployment, PREMIA® will help PJICO create a comprehensive database of insurance customers as well as build and develop a variety of supporting utilities aimed at quick, efficient and improved service.

The video can be viewed at <https://www.3i-infotech.com/insurance-management/>



### 3i Infotech's e-Government project receives a prestigious award

One of Government of India's initiative that empowers citizens to avail Cashless Medical Treatments has received an award as "IMC Digital Technology Award, 2017" under Award for Excellence in Government Sector for Large Enterprise Category. The award commemorates the solution implemented by 3i Infotech that addresses the nuances for different stakeholders – Department of Health, Insurance Company (Third Party Administrator (TPA) for Claim Adjustment) and Hospitals to work seamlessly.



## IN THE NEWS

- [3i Infotech in association with Dun & Bradstreet presented the “Blockchain Summit” in July 2018 at Mumbai](#)
- [Mohua Sengupta, EVP & Global Head – Services talks about Gender diversity in workforce, TimesJobs, July 2018](#)
- [Mohua Sengupta, EVP & Global Head – Services features in DQ Channels “Women Power”](#)
- [3i Infotech launches AI enabled ‘Conversational Banking’ services, ET CIO, June 2018](#)
- [3i Infotech unveils Maggie – a Virtual IT engineer, Deccan Chronicle, May 2018](#)
- [Padmanabhan Iyer, MD & Global CEO, 3i Infotech is profiled in Business World, May 2018](#)
- [Sanjay Pathak, Head Healthcare and Insurance Solutions, 3i Infotech - Digital consumers and ‘New-gen’ technologies to lead virtual healthcare into the future, MedTech Asia, May 2018](#)
- [3i Infotech’s Services BU – Altiray looks to enter newer verticals and geographies this year, Banking & Finance, May 2018](#)
- [Snehal Desai, Global Sales Head, Insurance, – AI on the brink of revolutionising Banking and Insurance of the future, Dataquest, May 2018](#)
- [ORION ERP of 3i Infotech clocks 82% growth in license revenues in FY17-18, DataQuest, April '18](#)

### Distributed Ledger Technology To Define The Future: Hashgraph, A Fast Emerging DLT



Mohua Sengupta, EVP & Global Head for Services discusses her views on how Hashgraph technology is addressing some of the challenges faced by Blockchain.

[Read more](#)

### Accelerating digital transformation through Automating IT Managed Services



Nilesh Gupta, Vice President & Global Head – Digital Infrastructure Management Solutions & Strategy, talks about the areas where one can possibly apply intelligent automation within the IT operations framework.

[Read more](#)

### How can an integrated ERP solution fulfil the needs of the retail industry



Suryanarayan Kasichainula, EVP & Business Head for ERP lists the benefits an integrated ERP solution offers to the retail industry.

[Read more](#)

### Data Science: A Success Mantra For Business Optimization



Srinivasan Rengarajan, VP & Global Head of Data Science and Analytics, 3i Infotech details the key success factors to be considered when implementing a Data Science Program for enterprises.

[Read more](#)

### Voice – The Next UI



Ms. Aparna Pallavi, Head Digital Banking, 3i Infotech; Mr. Sanjay Pathak, Head Healthcare and Insurance Solutions, 3i Infotech; Mr. Meghashyam Simha, Head – Mobility &

### Looking into the Future: How AI Will Transform ERP Systems



Devanathan K.V., Senior Vice President for ERP expresses his opinion that given the present levels of Artificial Intelligence, it is

Automation, 3i Infotech talk about how industries are adopting a voice first strategy for improved customer experience.

[Read more](#)

likely that one out of three entities will soon look at integrating AI in ERP applications to create assistive and conversational interfaces.

[Read more](#)

### Navigate Bank Frauds Through Pre-Emptive Data Analytics



Krish N, EVP & Business Head for Banking showcases the ways in which financial fraud can affect an institution's end customer and how analytics can help fight fraud.

[Read more](#)

### Why Manufacturers Need a Modern ERP System



Suryanarayan Kasichainula, EVP & Business Head for ERP lists the reasons why manufacturers need modern cloud-based ERP systems to remain at the top of the game.

[Read more](#)

### If it ain't broke...Why Legacy systems remain relevant



Snehal Desai, Global Head, Sales & Practice (PREMIA) details the need to continue with Legacy systems if the ROI on transformation is not viable.

[Read more](#)

### Timely Upgrades to your ERP System Can Avoid Security Threats



Devanathan K.V., Senior Vice President for ERP reinforces the need for timely upgrade of ERP systems to enhance the system's credibility and efficiency and avoid major security issues.

[Read more](#)

## WAY AHEAD

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

For any additional clarification, please feel free to write to the following email id's:

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