

AUGUST 2019**Note from the MD's Desk****Padmanabhan Iyer**
MD & Global CEO**Greetings from 3i Infotech Ltd.**

It is my privilege to present to you the results of the first quarter of FY2020, a year in which we believe the Company will achieve a paradigm shift. The Company has won its first product order in a decade in the US. Amlock is the product that achieved this breakthrough. In my earlier communications, I had mentioned the investment the Company is making in its Products and Services, one of which is in a state-of-the-art comprehensive, but modular, General Insurance product. I am pleased to inform you that the Company has already won 2 orders for the new product, Premia Astra. Revenue and EBIDTA growth overall has also been healthy. We expect breakthroughs, both in terms of penetration into new regions as well as increase in deal sizes to happen going forward.

The key indices for Q1-FY2020 are as under:

- Core revenue growth of 17% -
 - INR 245.10 crores (USD 35.27 Mn) in Q1-FY2020 vis-a-vis INR 209.21 crores (USD 31.27 Mn) in Q1-FY2019
 - 12% growth in Products revenue
 - 20% growth in Services revenue
- Core EBIDTA growth of 17% -
 - INR 30.88 crores (USD 4.44 Mn) in Q1-FY2020 vis-a-vis INR 26.29 crores (USD 3.93 Mn) in Q1-FY2019
- Addition of 41 new customers during Q1-FY2020 -
 - 20 new customers in Banking, ERP, Financial Services and Insurance products
 - 21 new customers in Services

The market response to our upgraded Products & Services is very encouraging and we intend to step up the momentum to increase our footprints. Additionally, with the increase in maturity of our Services frameworks, we have initiated action on wrapping these frameworks around our Products to significantly increase the value proposition to our customers. I am thankful to you for your continued patronage and look forward to being of further service to you.

Regards,

Padmanabhan Iyer

MD & Global CEO, 3i Infotech Ltd.

NEW LAUNCHES AND UPGRADES

ORION® 11j - PRODUCT UPGRADES

Continuing our endeavour to upgrade our ERP solutions suite to keep pace with the latest customer requirements and market trends, we have further augmented the latest version ORION® 11j with a range of new features – both at the framework and at the vertical levels.

New features in verticals:

Finance:

- Taxation in fixed asset purchases
- Fixed asset WDV (written down value) method
- Facility to convert capital good receipts to fixed asset
- Custom format bank statement management
- Consolidation posting for retail management
- Contra JV (journal voucher) posting methodology
- Tax Deducted at Source (TDS) deposit and remittance

Operations:

- Sales tax environment
- Adjustment and PO (purchase order) upload
- Managing GRN (goods receipt note) and GRN costing
- Tax, TDS in supplier bill registration
- Cost revision and sales revision in project estimation
- Fleet integration with ADMS (auto dealer management system)
- Norm based costing with RM (raw material) cost from PWO (Production Work Order) or PS (Production Slip)

HRMS Payroll:

- Enabling gratuity in end of service transactions
- Slab based GOSI (General Organization for Social Insurance) calculation based on join Date or end of service date
- Leave salary accrual posting
- Half-day management in calendar, pension, leave accrual, gratuity

DIGITAL TRANSFORMATION AND AUTOMATION UPDATES

These updates will enable customers to embrace Industry 4.0 seamlessly.

ORION® Digital Integration

- Understand processes with data collection and analysis to automate and boost productivity
- Solutions leveraging powerful digital and Internet of things (IoT) platform
- Build apps with extensive Representational State Transfer (REST) application programming interface (API) that can integrate with ORION®11j
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Connected Transport

- Track vehicle location and performance and aggregate data to the cloud
- Understand the current problems with cloud learning algorithms

Predictive Maintenance

- Monitor all the dynamic components and track maintenance schedule through IoT
- Plan maintenance to ensure zero downtime

Remote Factory Management

- Keeps every device connected with IoT
- Render cost reduction through remote monitoring and management

ORION® Process Automation

- ORION® Process Automation allows the mundane jobs to be automated and where required, integrate with multiple third party systems
- Various data entry level automations and data from systems without API interfaces can also be automated to achieve productivity

KASTLE® BANKING AND FINANCIAL SERVICES SOLUTIONS SUITE – NEW FEATURES

We have always strived to maintain high scalability, flexibility and cost-efficiency features of our solutions by consistently upgrading them and enhancing their value for our customers.

In line with this, we recently added new features to two of our Kastle® banking suite products, namely Kastle® ULS (Universal Lending Suite) and AMLOCK™ (Financial Crime Detection and Management Solution), as listed below:

Kastle® ULS

- Multi-asset selection enabled for Islamic retail lending
- Agriculture loan processing
- Limit management enhancement
- Introduction of authorization to debit (ATD) related fields for Ijarah auto lending

AMLOCK™

- Case ID Workflow: Workflow is now available at the case level (UCIC / customer ID level), instead of the individual alert level. Previously, the user had to operate at an individual instance of suspicious activity. With the latest upgrade, the system now allows the user to investigate the customer as a unit of investigation. This helps in significantly reducing investigation turnaround times and eliminating other manual processes
- Alignment of dashboards, investigation tools and suspicious transaction reporting based on this new Case ID Workflow
- Anti money laundering (AML) dashboards designed on Tableau (covering alert summary, user dashboard, and risk summary) which can be directly used by clients in case they have a Tableau subscription
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KEY CLIENTS WINS



- 3i Infotech has won a major deal for AMLOCK™, its Financial Crime Detection and Management Solution, in the US market. The customer is a financial services company that provides payday loans, cheque cashing, and money transfer services to the under-banked. AMLOCK™ will help the company strengthen its anti-money laundering strategy and efficiently manage customer due diligence, seamlessly identify and assess customer risks and enhance compliance processes
- 3i Infotech has signed its third Kastle® Universal Lending Suite (Kastle® ULS) deal in the Philippines, with the signing of an order with a leading bank in that country. This deal also marks our first corporate customer win in the Phillipines. The solution will help in streamlining the management of the entire loan lifecycle for the client, from customer acquisition and disbursement to loan closure, while also supporting delinquency monitoring
- 3i Infotech has won a Kastle® ULS upgrade order in the Kingdom of Saudi Arabia (KSA), from a leading provider of world-class Shariah compliant financial products. This is also the first digital transformation solution order received from the Kingdom. This will help the client to expand its reach in the market and reduce turnaround times for lending processes. The upgraded Kastle® ULS's framework promises a number of benefits to the client that include a rapid application development process and smart security features.
- A Nigeria-headquartered bank, one of the dominant financial services providers in Africa and which has been in business for over 70 years, has signed an order for Kastle® Universal Lending Suite. The solution will enhance the origination and collection processes for the bank's retail and corporate lending operations.
- A leading private sector bank in India, has decided to upgrade to the latest version of AMLOCK™. The upgraded solution will help the bank comprehensively meet all functional requirements of the anti-money laundering lifecycle. Enhanced due diligence features will help the bank measure and manage identified risks more effectively

- A major Mauritius based bank, which operates through 19 branches, has signed an AMLOCK™ upgrade deal. The upgraded solution is expected to comprehensively streamline the customer's anti-money laundering processes



- The Department of Industries of an Indian state government, has selected Altiray™'s Business & Technology Consulting service, with the objective of transforming its operational models to match the demands of the digital age. The customer is set to capitalize on our analytics driven process innovation and digital capabilities, for achieving its operational goals
- The Development Authority of one of India's union territories, has signed a deal with 3i Infotech to avail of Altiray™'s Application Development & Maintenance Services (ADMS). The services will give the customer the flexibility to quickly adapt to new technology initiatives, while optimizing its ROI on IT Investments



- 3i Infotech has bagged the first ever customer for PREMIA™ Astra, its newly launched General Insurance Solutions Suite, from a leading business group in Egypt that provides financial and insurance services. The Company signed a composite deal with the group for both PREMIA™ Astra and PREMIA™ Life wherein the solutions will be implemented by the group's general and life insurance companies respectively. PREMIA™ Astra will help the client in enhancing its digital as well as core operations' efficiencies, while completely automating its claims processes. The solution has been enriched with comprehensive rating and chat / audio features for the client.
- A leading provider of insurance products for both corporate and individual customers in the Kingdom of Saudi Arabia (KSA), has chosen 3i Infotech's PREMIA™ insurance solutions suite. The solution will improve the insurer's technological competency to enable operational excellence and better value for its customers. The PREMIA™ implementation will help the insurer keep pace with the Kingdom's regulations, which seeks to achieve automation in the insurance sector and which expects insurers to be proactive in choosing the right technology to stay ahead of the game
- A major insurer in the United Arab Emirates (UAE), has chosen PREMIA™ 11j Life to help meet its current business requirements and growth objectives. The solution, to be integrated with the insurer's

payment gateway, is expected to help the insurer expedite its digitalization initiatives, lower operational costs, deliver innovative services, simplify operational processes and boost customer engagement. It will also streamline product launches and B2B and B2C processes for the client

- 3i Infotech has received an order from a leading insurer in the State of Eritrea, to upgrade its existing PREMIA™ suite. The company, with business interests in Kenya, Nigeria, South Africa and Germany too, was using PREMIA™ only for its core operations and Business Intelligence needs. The solution has now been integrated with ORION® 11j, the latest version of ORION®, 3i Infotech's ERP Suite, for streamlining the client's human resources, payroll and asset management functions



- The Saudi and Qatari operations of a world-leading innovator and provider of imaging technology solutions, have recently 'gone live' with ORION® FS & CM (Fleet Services and Contract Management). The implementation will enhance the business operations' visibility across these functionalities and ensure faster availability of accurate data, leading to improved decision-making.
- A Dammam headquartered diversified testing services organization and an existing user of Finance and Payroll Modules, has upgraded to ORION® 11j, the latest version of ORION®. The company is a part of one of the world's largest and most diverse commercial analytical laboratory groups. The upgrade to ORION® 11j will give the company better business insights and opportunities for its other group companies to carry out product roll-outs. The new version will enable it to be Operating System independent and cope effectively with the technological changes across the industry spectrum. The web-based system will also support the latest version of the Oracle database solution, used by the company
- A leading manufacturing company in the United Arab Emirates (UAE), has selected ORION® 11j to support its business expansion plans. The customer is a leading manufacturer of silicone sealants, spray paints, self-adhesive tapes, PU foam and other adhesive products. ORION® 11j will help the company move from its traditional systems to a centralized software solution. It will ensure streamlined sales operations, controlled manufacturing processes and organized back-office operations
- ORION® has landed its first textile industry customer in the Asia Pac region. A Bangkok based retailer of textile products, has selected ORION® 11j, for better analysis of business data and swift decision-making. The company operates with three retail outlets and a warehouse. By providing a well-integrated system, ORION® 11j, the company is expected to reap benefits, including real-time data visibility of WIP, stock availability, and production financials; holistic view of business processes; and proactive alerts for key business functions.
- A Kenya based electronic and entertainment product retailer and wholesaler with a wide presence in East Africa, has chosen 3i Infotech's Point of Sale 11j solution (POS 11j) to better manage its customer engagement activities. The customer is one of the region's largest distributors of global electronic product brands. To expand its retail business in Kenya, it needed to implement an advanced POS solution and replace its current system which had limitations. With POS 11j, the company can expect complete automation of the billing process, customer database management, fruitful execution of customer engagement programs, promotion management, loyalty management, generation of bills

even without internet and integration of processes across operations. As an added advantage, POS 11j can also be integrated with third party systems

- A UAE based customer, one of the largest manufacturers of piping systems in the Middle East, has upgraded to ORION® 11j. An existing ORION® customer, the company needed a comprehensive system to manage its entire manufacturing processes including Quality Control and rework. The upgrade will help the company meet these objectives, and also ensure a range of other benefits that include support for data-driven decision-making, controlled wastage and optimized business processes.
- A vehicle-financing company based in the Kingdom of Saudi Arabia (KSA) has upgraded to ORION® 11j. Specializing in automotive lease-financing both for retail and fleet sectors, the company also offers world-class automotive marquees such as GMC, Chevrolet and Cadillac model line-ups. It operates through a network of 23 showrooms and branches across KSA. An existing user of ORION® 10.6, the company upgraded to overcome its current technology-related challenges. The upgrade will help the company set up its employee self-service portal, and also ensure a range of utilities like viewing / using financial statements in multiple formats, 360 degree view of accounts, being Operating System independent and support for the latest version of the Oracle database solution
- ORION® has won its first rent-a-car and car leasing service provider customer in Bahrain. The company has a network of branches across the country. ORION® will automate its fleet management processes while providing detailed business analytics to improve decision-making. The expected advantages include real-time decision-making, one-click business performance analysis, 360-degree view of fleet and increased vehicle profitability. An added advantage would be integration of the solution with third-party reservation systems
- A Thailand based importer and distributor of industrial air pumps, has selected ORION® 11j, making it the first Asia Pac region customer in this industry. ORION® 11j will help the company enhance productivity across the manufacturing chain as well as provide a personalized reporting system and real-time dashboard for facilitating better decision-making. With this implementation, the company will achieve improved planning, tracking and forecasting of cost, inventory movement and production. The other expected benefits include real-time data visibility of WIP, stock availability and production financials; reduced production cost; a holistic view of complete business processes; and proactive alerts on critical business functions



EVENTS

AMLOCK™ launched in the US at the ACAMS 7th Annual AML Risk Management Conference in New York

3i Infotech showcased AMLOCK™, its Financial Crime Detection and Management Solution at the recently concluded ACAMS 7th Annual AML Risk Management Conference in New York on June 21, 2019. 3i Infotech was a Diamond Sponsor of the event.

ACAMS (Association of Certified Anti-Money Laundering Specialists) is the largest international anti-money laundering (AML) and financial crime prevention community and is headquartered in the US. Its conferences are the most trusted networking platforms across the globe. It is well acknowledged for expert-led training, extensive

networking and professional development. The June 21 event was well attended and brought together hundreds of professionals from regulatory, law enforcement, financial institutions and industry sectors.

AMLOCK™ got great visibility and received a very encouraging response at the event. Among those who represented the Company at the event, were Krish Narayanaswami, President & Global Head – Banking; Ram Sankar, Chief Financial Controller, North America; Ravikanth Sama, Global Head – AML Practice; Gourish Hosangady, AML Advisor US Market and Sandeep Seal, Senior AML Consultant.



IN THE NEWS

- [3i Infotech showcases AMLOCK™ at the ACAMS AML Risk Management Conference, New York](#)
- [3i Infotech enters into a strategic agreement with US-based Dunamis Pacific to serve the North American construction industry vertical, using the ORION® ERP platform](#)
- [3i Infotech's ORION® 11j ERP Solution to consolidate the business operations of Gayatrishakti Paper & Boards](#)

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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