

Connect

March, 2020



Note from the MD's Desk

Padmanabhan Iyer
MD & Global CEO

Greetings from 3i Infotech Ltd.

We are happy to update you that we fared better in Q3-FY2020 than the previous two quarters. The quarter was more fulfilling because of not only new wins, but also because of our winning back a large AMLOCK™ customer bank which had moved to another vendor in FY2016, when we were not able to satisfy the eligibility criteria of their bid due to our financial constraints. Another noteworthy win in Q3-FY2020 was a Pension Fund where 5 of 3i Infotech solutions would be implemented in a single project. The traction of all our other products are also showing a healthy trend and we expect the positive trend to continue.

The key indices for 9M-FY2020 are as under:

- Core revenue growth of 12% -
 - INR 783.39 crores (USD 111.91 Mn) in 9M-FY2020 vis-a-vis INR 699.24 crores (USD 102.83 Mn) in 9M-FY2019
 - 11% growth in Products revenue
 - 13% growth in Services revenue
- Core EBIDTA growth of 9% -
 - INR 107.72 crores (USD 15.39 Mn) in 9M-FY2020 vis-a-vis INR 98.47 crores (USD 14.48 Mn) in 9M-FY2019
- Addition of 156 new customers during 9M-FY2020 -
 - 77 new customers in Banking, ERP, Financial Services and Insurance products
 - 79 new customers in Services

The key indices for Q3-FY2020 are as under:

- Core revenue growth of 11% -
 - INR 277.47 crores (USD 39.64 Mn) in Q3-FY2020 vis-a-vis INR 249.48 crores (USD 36.69 Mn) in Q3-FY2019
 - 14% growth in Products revenue
 - 9% growth in Services revenue
- Core EBIDTA growth of 9% -
 - INR 40.36 crores (USD 5.77 Mn) in Q3-FY2020 vis-a-vis INR 37.11 crores (USD 5.46 Mn) in Q3-FY2019

- Addition of 57 new customers during Q3-FY2020 –
 - 26 new customers in Banking, ERP, Financial Services and Insurance products
 - 31 new customers in Services

In addition to expanding its footprint in its current markets, the Company is now increasing its focus on traction in advanced markets and overcoming the challenges faced.

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



Kastle® Banking Solutions Suite – New Features

We have been consistently upgrading the features of our solutions with the objective of enabling our customers to meet their dynamic requirements. In this context, we recently included a number of new features in our Kastle® Banking Suite products. The key highlights of these additions are featured below:

KASTLE® TRANSACTION BANKING

Kastle® Factoring (version 6.0.0.0)

Kastle® Factoring v6.0.0.0 is an upgraded technology and cloud enabled platform offering liquidity, working capital and transparency solutions to financial institutions. It unleashes collaborative capabilities to on-board clients, buyers and suppliers / dealers on a global platform offering financial solutions to business houses to access the cash needed to support business growth. The supported modules include Receivable Financing, which covers invoice financing, loan account financing, purchase bill discounting and export / import receivables financing; and payable financing, which covers purchase bill discounting and reverse factoring.

The key highlights of the upgrade are seamless counter-party on boarding, regulatory compliance to support cross border transactions having multi-currency and multi-language transactions, flexible parameterized product configuration, configurable workflow for each individual corporate / supplier and credit protection against bad-debts, debtor insolvency and losses. Highlights of the technology upgrade include a multi-tier web architecture application, usage of productivity tool JHipster (scaffolding tool); Spring Boot, Hibernate and JPA frameworks; Bootstrap and PrimeNG components; and plug and play API based integration for most common third-party interfaces.

Kastle® Supply Chain Finance (version 6.1.0.0)

The new release helps in managing short term working capital finance to vendor / dealer having business relationships with large corporate ("anchor"). It optimizes working capital requirements of both the anchor and vendor / dealer. Supply Chain Finance system is a fine blend of bill discounting and overdraft products, and is designed to optimize finance and flexibility for the customer. All transactions are linked to a base document (invoice) between the anchor and vendor / dealer. The modules supported include Purchase Order Financing, Receivable / Invoice Financing and Overdraft Facility.

The new release highlights include:

- Anchor driven financing
- Flexible and robust solution for working capital finance operations to increase certainty of cash flows
- Reduced cost of capital (leveraging buyer's credit rating)
- Faster turnaround (automation)
- Flexible parameterized product configuration
- Extended credit period as well as financing with interest sharing available
- Enables buyers to increase their payable outstanding efficiently at reduced cost

- Enables sellers to reduce their sales outstanding with early payments
- Dynamic limit definition and real time monitoring. Flexibility to assign dual limit among participants to reduce credit risk
- Configurable work flow for transaction navigation
- Customized facility offered to sellers/buyers for structured program approach to mitigate risk through credit portfolio insurance
- 360⁰ view of transactions to view complete life cycle

Kastle® Trade Finance (version 1.0.0.0.0)

The solution is designed to suit off-the-shelf implementation strategy for banks to roll out business models in a quick and effective manner, providing an overall support for business transformation. The modules support various functions of Import, Export, Working Capital Financing, Bank Guarantee / SBLC (Standby Letter of Credit) and include a Common Module for MIS Reporting, Regulatory Reporting and SWIFT

The new release highlights are:

- Flexible charge definition module to configure various charge attributes like charge sharing, floating charge with slab, and splitting charge
- Configurable product setup
- Dynamic limit definition and real-time monitoring
- Extensive interface support with all external and supported solutions of the bank
- Create template for standard / repetitive transactions and reports to improve process efficiency
- Transaction monitoring through automated approval matrix to influence operational TAT
- SWIFT compatible screens to ease user experience, create and send SWIFT messages and facility to initiate transactions directly through SWIFT message
- Regulatory compliance, supporting cross border transactions
- Supports regulatory reporting and file creation in stipulated formats
- Facility to upload related documents during transaction creation
- Alerts and notifications to update the user to track transaction status
- Rule based document discrepancy identification and tracking status which reduces fraud risk

KASTLE® DIGITAL BANKING (version 2.1.1.0.0)

This new release is an integrated self-service portal, having features and functions to digitally enable Corporates, Debtors, Anchor clients, Suppliers, Dealers across Kastle® Factoring, Kastle® Supply Chain Finance and Kastle® Trade Finance.

- Customer can initiate and view transaction status and limit details 24x7
- Customer will receive notifications and alerts for any update regarding the transaction
- Bank can get 360⁰ view of transactions for customers
- Bank can ensure process transparency and faster TAT for customers
- Bank can automate and centralize trade finance processes

The modules supported include Account Receivable Financing, Asset based Lending, Bill Discounting, Letter of Credit (LC) Discounting, Pre-shipment Financing, Post-Shipment Financing and Overdraft Financing. The release includes an integrated self-service portal, fully controlled by user's policies, with end-to-end servicing from transaction initiation, approval, funding and monitoring the transactions to ensure paperless and faster processing of applications.

KASTLE® UNIVERSAL LENDING SOLUTION (version 6.3.1.0.0)

The highlight of the new release is a Micro Finance Suite, designed as an ideal platform for micro finance institutions aspiring to expand rapidly in multiple geographies without substantially increasing operating costs. The suite addresses the key challenges in the industry, with a focus on bridging the gap between financial institutions and the rural poor.

The new value propositions for financial institutes include:

- New facilities for customer engagement, such as Group Loans and Individual Micro loans
- Group Profiling and Assessment to enable right decisions

- Customer acquisition through the digital route

The release includes enhanced features for Securitization, Insurance Support, Guarantee Servicing, Menu Enhancement and Advanced Inbox Search.

With the objective of standardizing interface application program interfaces (APIs), the following have been added:

- Improved Saudi Credit Bureau (SIMAH) interface
- SADAD Payment System (SADAD) interface
- BAYAN interface

AMLOCK™ Analytics

3i Infotech launched AMLOCK™ Analytics, an Artificial Intelligence (AI) based system that brings the latest dimension of analytics and AI to uncover hidden Anti Money Laundering (AML) patterns and risks.

The AI models which were released earlier as a service, have now been seamlessly integrated with AMLOCK™. In addition to the existing investigation tools, the application will now aid financial institutions in better decision making. The Machine Learning and Deep Learning models uncover hidden patterns for better investigation. This makes AMLOCK™ a blend of the traditional rule-based system and advanced analytics.

The highlights include:

- Predictions and Recommendations by various Classification and Regression Techniques
 - Alert Flood Control
 - Closure Probability
 - Trend Analyzer
 - Profiling and Outlier Analysis
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ORION™ 11j - Product Upgrades

In line with our initiatives to upgradethe ERP solutions suite to cater to our customers' requirements and keep pace with market trends, we have included a number of new features and utilities in ORION™ 11j. The key highlights of these additions:

Finance (General Ledger / Accounts Receivable / HRMS & Payroll Accounts Payable)

- | | |
|--|---|
| <ul style="list-style-type: none"> • Fixed asset- asset capitalization in future date transaction • Sorting criteria on sorting basis in matching screen | <ul style="list-style-type: none"> • IT module (India) in Human Resource Management System |
|--|---|

Supply Chain Management

- Sales commission and incentive
- Price bulk upload
- Easy price update
- Loyalty point calculation without Value Added Tax
- Point of sale (POS) manual price entry for specific items

Version Management

- Multilingual enablement across all modules

Manufacturing

- Material requirements planning and master production scheduling

Process Pack Enhancements

- POS tax control
- Stock and price check with multiple units of measure (UOM)
- Loyalty point exception based on item
- Sub process mapping
- Hardlink and softlink options
- Excel upload

ORION™ 11j - Technology Update

- Securing ORION™ backend with ORION™ workbench
- Two factor authentication
- Multilingual release
- Standard environment with multilingual pack
- Document management system (DMS) for masters and enhancements
- ORION™ 11j deployment toolkit
- SDK registration and enhancements
- Process pack with easy product configuration
- Content search in document management system
- Enterprise Process and Information Control Stack (EPiCS) enhancements
- Data security and data filter enhancements
- Long value support for quantity
- Functional flow testing suite for ORION™ 11j standard environment
- Functional flow testing suite for ORION™ 11s standard environment
- Performance flow testing for fore transactions
- WildFly 17 and EAP 7 compliance update
- Java EE 7 compliance update
- OpenJDK 11 compliance update

KEY CLIENTS WINS

AMLOCK™

- 3i Infotech has won an AMLOCK™ order from a bank in the Kingdom of Bhutan. The solution will help the bank comply with the Royal Monetary Authority of Bhutan regulations and guidelines and also, meet all anti money laundering (AML) and transaction monitoring / reporting requirements.
- An Indian multinational, public sector banking and financial services statutory body, headquartered in Mumbai, has decided to upgrade to the latest version of AMLOCK™ FCDMS. The organization was using one of the solution's earlier versions. The upgrade will help the organization meet the Reserve Bank of India's (RBI) guidelines pertaining to KYC, transaction monitoring, risk classification and reporting.
- A Mauritius based bank has signed an AMLOCK™ upgrade order, a development that is expected to help the bank meet the entire functional requirements of the AML lifecycle.
- 3i Infotech has received an AMLOCK™ upgrade order from a leading telecommunications company in Africa, which provides voice and data mobile phone service. The upgrade will help the company strengthen its customer due diligence, risk management and improve compliance processes.
- 3i Infotech has received an AMLOCK™ order with a leading bank in Ethiopia. The solution will strengthen the bank's governance and embed best practices in its controls and risk management processes. It will ensure local and international regulatory compliance. The solution will streamline customer due diligence processes by identifying individuals on sanction lists and thereby, stem money laundering transactions



- 3i Infotech has secured a Kastle™ Universal Lending Solution order in South Africa, marking an entry into this developed market. This is for a government organization to provide loans to the employees, wherein the organization will be using the Loan Origination module for processing of the loans. This will help reduce the bank's turnaround times and increase efficiency of loan application processes.

- 3i Infotech has made an entry into Bhutan with a composite deal which includes the Kastle™ Universal Lending Solution. This is for an end to end implementation with Origination, Management and Collections supporting a comprehensive suite of products including Loans against provident fund. The order also constitutes a limited component of Expected Credit Loss (ECL) that will be implemented in the first phase.
- Being the market leader in the Kingdom of Saudi Arabia (KSA), 3i Infotech has bagged a new logo, making it the 16th win for Kastle™ Universal Lending Solution in the country. The customer aims to be the leading financial institution by leveraging the solution's digital features which will help it accelerate and automate business processes and further enhance overall customer experience. Kastle™ Universal Lending Solution will support the company's product lines, such as Ijarah, Murabaha and Tawarruq for retail and SME, and ensure these are Saudi Arabian Monetary Authority (SAMA) and Shariah compliant.



- A leading insurance company, a part of an Egypt headquartered financial services conglomerate, has 'gone live' with PREMIA™ 11J, on December 5, 2019. The conglomerate, with over 1,000 employees, manages a number of companies, offering a full range of products and services, including auto credit, insurance and consumer finance (all targeting the retail market) as well as structured debt advisory, arrangement, and underwriting for corporate clients. PREMIA™ 11J, featuring Group Life and Individual Life solutions, was integrated with the company's existing document management system and core finance system. The features of the solution implemented include Arabic enablement, free cover limit (FCL) as per user defined table with override option, reserve calculation as per the conglomerate's standards; mobility app integration and data migration for business continuity.
- A leading insurance company in the Philippines, has selected PREMIA™. Founded over 25 years ago, the company offers a range of non-life insurance products and services, covering home, business, vehicles and health, among others. It needed to replace its traditional non-integrated legacy core system with an integrated core suite of Document Management System (DMS) and workflows to enhance process efficiency and reduce its overall operational costs. The solutions offered include PREMIA™ Non-Life Suite, covering end-to-end insurance business operations with accounting, DMS and workflow; and PREMIA™ Business Intelligence to help the insurer's top management make data-driven decisions.
- An autonomous organization that manages old age retirement plans of the civil and armed forces in Bhutan, has chosen 3i Infotech's integrated solution to streamline its key operations and services. 3i Infotech will implement an integrated provident fund and pension solution that will give the organization a single integrated technology platform to achieve seamless interaction and communication between the member agencies and its existing systems. The integration solution includes PREMIA™ Pension, MFund™ Asset Management Solution, Kastle™ Universal Lending Suite, ORION™ Enterprise Resource Planning Solution, enterprise document management system, web / mobile portals and a unified dashboard.
- One of the top four general insurance service companies in Vietnam has signed an agreement with 3i Infotech to upgrade PREMIA™ 9 (a previous version of the PREMIA™ Insurance Solutions Suite). Headquartered in Hanoi, the insurer operates with over 60 branch offices. The highlights of the upgrade will be advanced online underwriting and claim automation features. The upgrade will enable access of the core system seamlessly across all branches and B2E online underwriting automation for retail products. A claims-cum-surveyor online portal will also be developed to offer speedy customer services.
- A major insurance services provider in the Kingdom of Saudi Arabia (KSA) has selected 3i Infotech's IFRS 17 Solution, making it the solution's first customer. The company that caters to both corporate and individual customers, offers insurance cover for engineering, marine cargo & hull, fidelity guarantee, health care, group life, travel, personal liability, motor, marine, property and home, among others. 3i Infotech's solution will make compliance with the IFRS 17 standard smoother for the company and ensure benefits, such as on time / real time recognition process, a flexible design to define the required

group of aggregation, a unified model across the module, an end-to-end integrated finance solution, dashboard / disclosures for effective decision-making and access to transparent, consistent information.

- A prominent insurer in Ethiopia has decided to implement the PREMIA™ General Insurance Solution, to automate its entire operations. Licensed by the country's central bank to undertake general Insurance business, the company specializes in non-life, life and micro insurance products. 3i Infotech's solution will be fully integrated with a comprehensive finance module.
- A leading asset management company in India, an existing user of the MFund® Asset Management Solution has placed an order to upgrade the solution to enhance the number and variety of its services and thereby, meet its growth objectives. The asset management company offers a range of solutions that meet various investor needs such as capital protection, pension, savings, growth, dividend and investment and others. The company has also decided to implement another license of our advanced product, MFund Plus® for its new offshore fund management business. The company needed an urgent solution to manage its front office operation and one that would comply with regulatory norms. MFund Plus®, incorporated with the required regulatory changes, went live within a month of placing the order.
- 3i Infotech has won an order for PREMIA™ 11 from a major insurance services provider in Ethiopia. Founded in 1997 and headquartered in Addis Ababa, the company today operates from 17 branch offices with over 165 employees across the country. PREMIA™ 11 will provide the insurer with a robust, dynamic and scalable core insurance solution to support its aggressive expansion plans. 3i Infotech won this order in the midst of stiff competition. The solution's rich capabilities and functionalities, the advanced features especially in the re-insurance module, reports and local client references, helped 3i Infotech win the order.



- A United Arab Emirates (UAE) headquartered vehicle rental company, has selected ORION™ 11j. The solution will replace its home-grown system and help it meet the dynamic requirements of today's car rental market. The company specializes in car and limousine rental and leasing; used car sales, vehicle workshop management; and also tours and travel services. ORION™ 11j will provide a comprehensive, integrated solution with a robust financial module, to help the company's management take informed decisions instantly, while enhancing its overall operational efficiency. The key modules will include Fleet, Finance, Procurement, CRM, Inventory, Sales and Workshop
- 3i Infotech has bagged an order for ORION™ 11j ADMS (Auto Dealer Management System) from a leading automotive dealer in the Middle East, after overcoming stiff competition from globally established players in the ERP solutions market. The customer is an authorized distributor of Chrysler, Dodge, Jeep and RAM and has been in the automotive business for over five decades. ORION™ 11j ADMS will replace the company's local ERP solution, and help support its growth plans and meet multi-country statutory requirements. The expected benefits to the customer include seamless integration between sales, services, and spares management operations; access to real-time data and bespoke reporting to make informed decisions; and improved employee productivity
- A prominent food & beverage manufacturing and packaging company in Africa, has selected ORION™ 11j, to support its business expansion plans. Founded in 2005, the Khartoum Bahri headquartered company today operates with over 400 employees, and boasts of some popular regional brands in the processed food market. The company witnessed rapid expansion in the last three years. Its locally developed bespoke system was unable to adequately support this growth. The company expects ORION™ 11j to address this need and ensure streamlined business operations, including division-wise profit & loss statement creation, cash forecast management, and an organized process flow – all which will go long way in enhancing decision-making. The key utilities of the solution will include pivot reports, customized reporting tools, and advanced planning tools for managing Material Requirements Planning (MRP) and Master Production Scheduling (MPS).
- A major manufacturing and services group in Qatar has chosen ORION™ 11j, for its vehicle rental and leasing division. The group's lines of business also includes manufacturing, real estate, security systems,

investments, trading and retail. With ORION™ 11j, the division will have a comprehensive and integrated solution with a robust financial module. The solution will help its management take informed decisions instantly, while also enhancing its overall operational efficiency. To win this order, 3i Infotech overcame stiff competition from a leading technology solutions provider.

- A recognized manufacturer of friction materials for the automobile sector, headquartered in Mumbai, has selected ORION™ WMS (Warehouse Management System) and Manufacturing Solution. Founded over five decades ago, the company has pioneered the manufacturing of friction materials, like brake linings, clutch facings, disc brake pads, roll linings and brake blocks, among others. It also caters to other industries, such as railways, engineering, mining, aerospace, steel, chemical and oil exploration. The solution will help the company automate its warehouse management and manufacturing processes through hand-held devices. This will include automation of backward tracking of finished goods to the procurement stage. The company will be able to access data related to raw materials, semi-finished and finished goods; and to codify materials at each stage of production. This will also be ORION™'s first WMS implementation in the Indian automobile sector.
- The newly unveiled ORION™ Platform as a Service (OPaaS) received its first order from a Kingdom of Saudi Arabia (KSA) headquartered contracting services provider for industrial and real-estate development projects. The company provides integrated design, procurement, fabrication and construction services. It is a subsidiary of a business conglomerate, which provides project management and contracting services for industrial projects and real-estate development in housing and commercial sectors.



AWARDS & ACCOLADES

3i Infotech wins 3 awards at the ET Now Stars of the Industry Awards

3i Infotech was honoured with awards in three categories at the prestigious ET Now Stars of the Industry Awards for Excellence in Information Technology. The annual awards are presented by ET Now, a leading Indian business and TV news channel, which is a part of the country's biggest media house, The Times of India Group.



The Company was presented with the award for Best IT Solutions Provider of the Year, along with awards for Best Financial Crime Detection and Management Solution for AMLOCK™ and the Best Insurance Software Product Company in Intellectual Driven Business for PREMIA Astra™, at a glittering ceremony held at The TajMahal Hotel, New Delhi, on December 20, 2019.

3i Infotech ranked among the world's 100 major players in risk and compliance technology

3i Infotech has been featured in the Chartis Research's RiskTech100 2020 rankings for its offerings - Kastle® Enterprise Risk Management and AMLOCK™, its Financial Crime Detection and Management Solution. The listing positions 3i Infotech among the world's 100 major players in risk and compliance technology.

RiskTech100® is globally acknowledged as the most comprehensive independent study of the players in risk and compliance technology. It is conducted annually by Chartis Research, a leading provider of research and analysis

on the global market for risk technology. The RiskTech100 assessment criteria comprises six categories - Functionality, Core technology, Strategy, Customer satisfaction, Market presence and Innovation. Within each category, a number of sub-categories were included to encompass the range and scope of current risk technology solutions

EVENTS

3i Infotech receives positive response at the Singapore FinTech Festival 2019

3i Infotech had an eventful participation at the Singapore FinTech Festival 2019, the world's largest Fintech event. Held at the Singapore EXPO Convention and Exhibition Centre from November 11 to 13, 2019, the participants at the event's 2019 edition comprised key executives and decision makers from global financial institutions and corporates, innovators and technologists and Fintech start-ups to unicorns, investors and academia. 3i Infotech received great visibility and a huge response at the event, as our team interacted with over 250 visitors from 90 organizations from across the globe.



We showcased our strengths in Artificial Intelligence (AI), Machine Learning (ML) and Blockchain technologies, and our solutions for the banking and financial services sectors, specifically AMLOCK™ and Kastle®. Altiray® our services, too created a welcome buzz among visitors as our team demonstrated its ready-to-use frameworks and customizable technology solutions that can be plugged in to existing systems or data to deliver real outcomes. Teams from Altiray® Services and Banking represented the Company at the event.

IN THE NEWS

- [The biggest advantage inherent in 3i Infotech's offerings is the knowledge capital and expertise from across industries. Read the article in Fortune India \(December 15, 2019 – March 14, 2020\)](#)

- [Padmanabhan Iyer, Managing Director & Global CEO, shares his thoughts on how organizations can foster a culture of innovation. Read the interview published in The Economic Times \(December 23, 2019\)](#)

EXPERT SPEAK

- [Mr. Padmanabhan Iyer, Managing Director & Global CEO, talks about the technology trends in the year 2020 that will propel the Indian IT industry towards Industry 4.0. Read the article published in Express Computer \(December 2019\)](#)

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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Connect with us on...



www.3i-infotech.com

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