

Auditor's report on quarterly and Year to Date unaudited consolidated financial results of 3i Infotech Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors
3i Infotech Limited

We have reviewed the accompanying statement of unaudited consolidated financial results of **3i Infotech Limited** (herein after referred to as "the Parent Company"), comprising its subsidiaries (the Parent Company and its subsidiaries together referred to as "the Group") and a jointly controlled entity for the quarter ended December 31, 2018 and year to date unaudited standalone financial results for the period from April 1, 2018 to December 31, 2018 (the Statement), attached herewith, being submitted by the Parent Company pursuant to the requirement of Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, read with Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016.

This Statement is the responsibility of the Parent Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

In our opinion and to the best of our information and according to the explanations given to us, the Statement includes the quarterly and nine months ended financial results of the following entities:

Sr. No.	Subsidiaries reviewed by us:
1	3i Infotech (Middle East) FZ LLC, UAE
2	3i Infotech Consultancy Services Ltd., India
3	3i Infotech BPO Limited, India
4	3i Infotech Holdings Private Ltd., Mauritius
5	3i Infotech Inc., USA
6	3i Infotech Financial Software Inc., USA (merged with 3i Infotech Inc.)
7	3i Infotech Asia Pacific Pte. Ltd., Singapore
8	3i Infotech SDN BHD, Malaysia
9	3i Infotech (Thailand) Ltd., Thailand
10	Locuz Enterprises Solutions Ltd., India
11	3i Infotech (UK) Limited
12	IFRS Cloud Solutions Limited, India
13	Black Barret Holdings Ltd., Cyprus
14	3i Infotech Software Solutions LLC

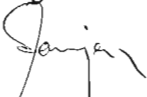


Sr. No.	Subsidiaries not reviewed
1	3i Infotech Services SDN BHD, Malaysia
2	3i Infotech Saudi Arabia LLC, Saudi Arabia
3	Elegon Infotech Ltd., China
4	Rhyme Systems Limited
5	3i Infotech (Africa) Ltd., Kenya
6	3i Infotech (Western Europe) Holdings Limited
7	3i Infotech (Western Europe) Group Limited
8	Locuz Inc., USA
9	3i Infotech South Africa Pty Limited
Sr. No.	Jointly controlled entity not reviewed
1	Process Central Limited, Nigeria- Joint Venture

We did not review the financial results of nine subsidiaries included in the Statement, whose financial results include the total revenue of Rs. 57.76 crore and total comprehensive income/loss of Rs. 22.53 crore for the period ended December 31, 2018, respectively included in the Statement. The Statement also include the Group's share of the total revenue Rs. Nil and the profit of Rs. Nil for the period ended December 31, 2018 of a jointly controlled entity whose financial results have not been reviewed by us. These financial results/financial information are not reviewed and have been furnished to us by the management and our review conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and the jointly controlled entity is based solely on such not reviewed financial results / financial information. According to the information and explanations given to us by the Management, these financial results/financial information are not material to the Group.

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable Indian Accounting Standards prescribed under section 133 of Companies Act 2013 read with rules issued thereunder and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For GMJ & Company
Chartered Accountants
Firm Registration No:103429W


Sanjeev Maheshwari
Partner
Membership No.38755
Place: Mumbai
Date: January 18, 2019



Auditor's report on quarterly and Year to Date unaudited standalone financial results of 3i Infotech Limited pursuant to the regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors
3i Infotech Limited

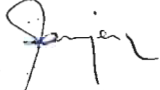
We have reviewed the accompanying statement of unaudited standalone financial results of 3i Infotech Limited (the Company) for the quarter ended December 31, 2018 and year to date unaudited standalone financial results for the period from April 1, 2018 to December 31, 2018, (the Statement) attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016.

This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly we do not express an audit opinion.

Based on our review, conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable Indian Accounting Standards prescribed under section 133 of Companies Act 2013 read with rules issued thereunder and other recognised accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For GMJ & Company
Chartered Accountants
Firm Registration No:103429W


Sanjeev Maheshwari
Partner
Membership No.38755



Place: Mumbai
Date: January 18, 2019

CONSOLIDATED



3i Infotech Limited (CIN: L67120MH1993PLC074411)

Regd. office: Tower # 5, 3rd to 6th Floors, International Infotech Park, Vashi, Navi Mumbai 400 703

Email investors@3i-infotech.com

Website: www.3i-infotech.com

Tel No. 022-7123 8000

Statement of Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2018

(Rupees in Lakhs)

	Particulars	3 months ended (31/12/2018) (Unaudited)	Preceding 3 months ended (30/09/2018) (Unaudited)	Corresponding 3 months ended in the previous year (31/12/2017) (Unaudited)	Year to Date figures for current period ended (31/12/2018) (Unaudited)	Year to Date figures for previous period ended (31/12/2017) (Unaudited)	Year to Date figures for previous period ended (31/03/2018) (Audited)
I	Revenue from Operations	30,654	27,363	23,752	82,215	71,191	99,119
II	Other Income	516	120	623	1,419	1,489	1,782
	Total Income (I+II) = III	31,170	27,483	24,375	83,634	72,680	1,00,901
IV	Expenses						
(a)	Employee benefits expense	15,443	15,419	13,037	44,718	39,233	52,804
(b)	Cost of third party products and services	8,179	5,470	3,979	17,972	13,435	19,854
(c)	Finance costs (excluding unwinding of discount under Ind AS 109 on Fair Valuation of Preference Share Capital, FCCBs and Interest free debts) (See Note 2)	1,149	1,120	1,298	3,442	3,873	5,101
(d)	Depreciation and amortization expense	211	208	214	624	693	894
(e)	Other expenses	3,136	3,027	2,639	9,416	7,457	10,878
	Total Expenses (IV)	28,118	25,244	21,167	76,172	64,691	89,531
V	Profit / (Loss) before Forex loss / (gain) and Tax (III-IV)	3,052	2,239	3,208	7,462	7,989	11,370
VI	Foreign exchange loss/(gain)	(109)	185	(93)	430	180	(142)
VII	Profit / (Loss) before Tax (V-VI)	3,161	2,054	3,301	7,032	7,809	11,512
VIII	Unwinding of discount under Ind AS 109 on Fair Valuation of Preference Share Capital, FCCBs and Interest free debts (See Note 2)	991	990	895	2,955	2,673	3,564
IX	Profit / (Loss) before Tax (VII-VIII)	2,170	1,064	2,406	4,077	5,136	7,948
X	Tax expense	368	176	130	783	404	837
XI	Profit / (Loss) for the period (IX-X)	1,802	888	2,276	3,294	4,732	7,111
XII	Other Comprehensive Income						
	A. (i) Other Comprehensive income not to be reclassified to profit and loss	(44)	94	(47)	(7)	(40)	50
	(ii) Income tax relating to items that will not be reclassified to profit and loss.	(1)	(2)	(3)	(2)	(6)	(0)
XIII	Total Comprehensive income for the period, net of tax : (XI+XII)	1,757	980	2,226	3,285	4,686	7,161
	Profit for the period attributable to:						
	Equity holders of the parent	1,752	896	2,301	3,235	4,737	7,040
	Non-controlling interests	50	(8)	(25)	59	(5)	71
	Total comprehensive income for the year attributable to:						
	Equity holders of the parent	1,707	988	2,251	3,226	4,691	7,090
	Non-controlling interests	50	(8)	(25)	59	(5)	71
XIV	Paid-up equity share capital (Face value of Rs. 10 per share)	1,61,664	1,61,591	1,33,415	1,61,664	1,33,415	1,61,536
XV	Earnings per equity share						
	Basic & Diluted EPS (on Profit for the period)	0.11	0.06	0.17	0.20	0.36	0.44
	The below EPS is calculated on Profit for the period before unwinding of discount under Ind AS 109 (See Note 2)						
	Basic & Diluted EPS (on Profit for the period before unwinding of discount under Ind AS 109)	0.17	0.12	0.24	0.38	0.56	0.66





3i Infotech Limited (CIN: L67120MH1993PLC074411)

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Email investors@3i-infotech.com

Website: www.3i-infotech.com

Tel No. 022-7123 8000

Statement of Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2018

(Rupees in Lakhs)

Particulars	3 months ended (31/12/2018) (Unaudited)	Preceding 3 months ended (30/09/2018) (Unaudited)	Corresponding 3 months ended in the previous year (31/12/2017) (Unaudited)	Year to Date figures for current period ended (31/12/2018) (Unaudited)	Year to Date figures for previous period ended (31/12/2017) (Unaudited)	Year to Date figures for previous period ended (31/03/2018) (Audited)
1 Segment Revenue						
a IT Solutions	29,377	25,943	22,406	78,227	67,337	93,930
b Transaction Services	1,277	1,420	1,346	3,988	3,854	5,189
Total Net Sales/Income From Operations (a+b)	30,654	27,363	23,752	82,215	71,191	99,119
2 Segment Results						
a IT Solutions	7,153	6,826	6,227	19,637	17,729	25,083
b Transaction Services	273	392	411	1,035	1,103	1,486
Total	7,426	7,218	6,638	20,672	18,832	26,569
Less:						
(i) Operating, Selling and Other expenses	3,530	3,771	2,541	10,562	7,766	10,986
(ii) Finance cost (including unwinding of discount under Ind AS 109) (See Note 2)	2,140	2,110	2,193	6,398	6,546	8,665
(iii) Depreciation & Amortization	211	208	214	624	693	894
(iv) Foreign Exchange loss/(gain)	(109)	185	(93)	430	180	(142)
Add:						
(v) Un-allocable income	516	120	623	1,419	1,489	1,782
Total Profit Before Tax and Exceptional Items	2,170	1,064	2,406	4,077	5,136	7,948

The 3i Infotech Group (the "Group") undertakes sale of 'IT solutions' (software products & services, software development, consulting and IT infrastructure services) and 'Transaction services' (IT enabled services). These businesses have been considered as "Primary segments". The segment results have been arrived at before allocating certain expenses which are un-allocable in nature and are disclosed as "Selling and other expenses". Considering the nature of the Group's businesses, the assets and liabilities cannot be identified with any specific business segment and hence, the figures for capital employed have not been disclosed.

Notes:

- The consolidated financial results of the Company for the quarter and nine months ended December 31, 2018 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on January 18, 2019.
- As required under Ind AS 109, there has been an additional charge of interest (notional) on financial instruments, viz. Preference shares; FCCBs and interest free debts, which has been shown as a separate line item, viz. (Item no. VIII) in the Financial Results.
- The Limited Review under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 has been carried out by the Statutory Auditors.
- During the current quarter, the Company has allotted 733,565 equity shares at a price of Rs.12.5 per share aggregating to Rs. 91.70 lakhs against conversion of Foreign Currency Convertible Bonds (FCCBs).
- Effective April 1, 2018, the Company has adopted Ind AS 115. The comparative information is not restated in the standalone financials results. The adoption of this standard does not have any material impact to the standalone financial results of the Company.
- Figures for the previous period have been regrouped/rearranged wherever necessary to conform to the presentation of the current period.
- The results for the quarter and nine months ended December 31, 2018 are available on the Bombay Stock Exchange website (www.bseindia.com), National Stock Exchange website (www.nseindia.com) and on the Company's website (www.3i-infotech.com).



8 The disclosure in respect of standalone financials are as under -

(Rupees in Lakhs)

Particulars	3 months ended (31/12/2018) (Unaudited)	Preceding 3 months ended (30/09/2018) (Unaudited)	Corresponding 3 months ended in the previous year (31/12/2017) (Unaudited)	Year to Date figures for current period ended (31/12/2018) (Unaudited)	Year to Date figures for previous period ended (31/12/2017) (Unaudited)	Year to Date figures for previous period ended (31/03/2018) (Audited)
Net Sales/Income from Operations	7,427	7,567	5,812	20,864	17,122	23,751
Profit / (Loss) before unwinding of discount under Ind AS 109 and Tax	11,474	8,315	195	24,210	(10,832)	(7,612)
Profit / (Loss) Before Tax	11,025	7,861	(210)	22,839	(11,448)	(8,671)
Profit (Loss) for the period	11,025	7,861	(210)	22,839	(11,448)	(8,671)
Total comprehensive income for the period	11,027	7,877	(253)	22,847	(11,694)	(8,753)

Navi Mumbai
January 18, 2019

By order of the Board
for 3i Infotech Limited

Padmanabhan Iyer
Managing Director and Global CEO



STANDALONE



3i Infotech Limited (CIN: L67120MH1993PLC074411)

Regd. office: Tower # 5, 3rd to 6th Floors, International Infotech Park, Vashi, Navi Mumbai 400 703

Email: investors@3i-infotech.com

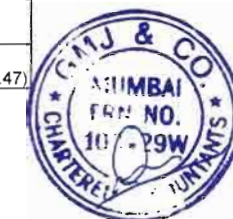
Website: www.3i-infotech.com

Tel No.:022-7123 8000

Statement of Standalone Unaudited Financial Results for the quarter and nine months ended December 31, 2018

(Rupees in Lakhs)

Particulars	3 months ended (31/12/2018) (Unaudited)	Preceding 3 months ended (30/09/2018) (Unaudited)	Corresponding 3 months ended in the previous year (31/12/2017) (Unaudited)	Year to Date figures for current period ended (31/12/2018) (Unaudited)	Year to Date figures for previous period ended (31/12/2017) (Unaudited)	Year to Date figures for previous period ended (31/03/2018) (Audited)
I Revenue from Operations	7,427	7,567	5,812	20,864	17,122	23,751
II Other Income (excluding unwinding of discount under Ind AS 109 on Fair Valuation of Investment in Preference Shares) (See Note 2)	13,156	251	825	14,274	2,058	2,492
Total Income (I+II) = III	20,583	7,818	6,637	35,139	19,180	26,243
IV Expenses						
(a) Employee benefits expense	2,167	1,785	1,468	6,772	5,386	7,795
(b) Cost of third party products and services	834	699	357	2,343	1,581	2,151
(c) Finance costs (excluding unwinding of discount under Ind AS 109 on Fair Valuation of Preference share Capital, FCCBs and Interest free debts) (See Note 2)	1,087	1,075	1,237	3,283	3,659	4,804
(d) Depreciation and amortization expense	170	168	170	504	553	716
(e) Other expenses	1,075	1,045	1,370	3,566	17,910	19,201
Total Expenses (IV)	5,333	4,772	4,602	16,468	29,089	34,667
V Profit / (Loss) before Forex loss / (gain) and Tax (III-IV)	15,250	3,046	2,035	18,671	(9,909)	(8,424)
VI Foreign exchange loss/(gain)	3,776	(5,269)	1,840	(5,539)	923	(812)
VII Profit / (Loss) before Tax (V-VI)	11,474	8,315	195	24,210	(10,832)	(7,612)
VIII Unwinding of discount under Ind AS 109 expenses / (income) (net) on Fair Valuation of Investment in Preference Shares, Preference Share Capital, FCCBs and interest free debts (See Note 2)	449	454	405	1,371	616	1,059
IX Profit / (Loss) before Tax (VII-VIII)	11,025	7,861	(210)	22,839	(11,448)	(8,671)
X Tax expense	-	-	-	-	-	-
XI Profit / (Loss) for the period (IX-X)	11,025	7,861	(210)	22,839	(11,448)	(8,671)
XII Other Comprehensive Income						
A.(i) Other Comprehensive income not to be reclassified to profit and loss	3	16	(43)	8	(246)	(82)
(ii) Income tax relating to items that will not be reclassified to profit and loss.	-	-	-	-	-	-
XIII Total Comprehensive income for the period (XI+XII)	11,027	7,877	(253)	22,847	(11,694)	(8,753)
XIV Paid-up equity share capital (Face value of Rs. 10 per share)	1,61,664	1,61,591	1,33,415	1,61,664	1,33,415	1,61,536
XV Earnings per equity share						
Basic & Diluted EPS (on Profit for the period)	0.68	0.49	(0.02)	1.41	(0.86)	(0.54)
The below EPS is calculated on Profit for the period before unwinding of discount under Ind AS 109 (See Note 2)						
Basic & Diluted EPS (on Profit for the period before unwinding of discount under Ind AS 109)	0.71	0.51	0.01	1.50	(0.81)	(0.47)



- 1 The standalone financial results of the Company for the quarter and nine months ended December 31, 2018 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on January 18, 2019.
- 2 As required under Ind AS 109, there has been a net additional income/expense (notional) on financial instruments; viz. Preference shares , FCCBs , interest free debts and Investment in Preference Shares, which has been shown as a separate line item; viz. (Item no. VIII) in the Financial Results.
- 3 The Company has written back Rs. 125.27 crores loan taken from one of its Indian subsidiary and the same has been accounted in Other Income.
- 4 The Limited Review under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 has been carried out by the Statutory Auditors.
- 5 During the current quarter, the Company has allotted 733,565 equity shares at a price of Rs.12.5 per share aggregating to Rs. 91.70 lakhs against conversion of Foreign Currency Convertible Bonds (FCCBs).
- 6 Effective April 1, 2018, the Company has adopted Ind AS 115. The comparative information is not restated in the standalone financials results. The adoption of this standard does not have any material impact to the standalone financial results of the Company.
- 7 Figures for the previous period have been regrouped/rearranged wherever necessary to conform to the presentation of the current period.
- 8 The results for the quarter and nine months ended December 31, 2018 are available on the Bombay Stock Exchange website (www.bseindia.com), National Stock Exchange website (www.nseindia.com) and on the Company's website (www.3i-infotech.com).

Navi Mumbai
January 18, 2019

By order of the Board
for 3i Infotech Limited

Padmanabhan Iyer
Managing Director and Global CEO

