

## CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2019-20

### CORPORATE GOVERNANCE PHILOSOPHY OF THE COMPANY

The Company's philosophy on Corporate Governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising of regulators, employees, customers, vendors, investors and the society at large. Integrity, transparency, accountability and compliance with laws are the basis of good governance and also instrumental in the Company's robust business practices to ensure ethical and responsible leadership both at the Board and Management level.

Corporate Governance is viewed both as the structure of and the relationships within a Company which determine corporate direction and performance. It is a guideline as to how the Company should be managed and operated in a manner that adds value to the Company and is also beneficial for all stakeholders in the long term.

The Company has a strong legacy of fair, transparent and ethical governance practices.

Your Company ensures that it evolves and follows the Corporate Governance guidelines and best practices. The Company expects to realize its vision by taking such actions as may be necessary in order to achieve its goals. In addition to complying with the statutory requirements, effective governance systems and practices towards improving transparency, disclosures, internal controls and promotion of ethics at workplace have been institutionalized. This enables the Company to build and sustain the trust and confidence of its stakeholders as well as strengthen the foundation for long term business success and sustainability. The Company complies with all the mandatory requirements of Corporate Governance stipulated under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 as well as those specified in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI LODR").

This Corporate Governance Report ("CG Report") is prepared in accordance with SEBI LODR.

### I. BOARD OF DIRECTORS

The Company is managed and controlled through a professional Board of Directors ("Board") comprising of an optimum combination of Executive, Non-Executive and Independent Directors. The composition of the Board of the Company is in conformity with SEBI LODR. The Board ensures the Company's prosperity by collectively directing Company affairs towards securing appropriate interests of its shareholders and stakeholders.

#### a. Size and Composition of the Board

The total strength of the Board as on the date of this Report is 6 (six) consisting of 2 (two) Independent Non-Executive Directors, one of whom is the Chairman of the Board and the other is an Independent Woman Director. The profiles of Directors can be found on <https://www.3i-infotech.com/about-us/>. The composition of the Board is in conformity with Regulation 17 of SEBI LODR. The composition of the Board and the directorships held by the Board Members as on the date of this CG Report are as under:

Name and Designation	Category	Date of appointment	Date of resignation	Number of directorships in other companies®	Number of Committee positions held in other Companies#		Directorships held in other Listed Entities along with category
					Chairman	Member	
Mr. Ashok Shah - Chairman (DIN-01194846)	INED	1-Oct-20***	-	1	-	-	-
Dr. Shashank Desai - Director (DIN-00143638)	INED	23-Sep-15^	30-Jul-20***	NA	NA	NA	NA

Name and Designation	Category	Date of appointment	Date of resignation	Number of directorships in other companies <sup>@</sup>	Number of Committee positions held in other Companies <sup>#</sup>		Directorships held in other Listed Entities along with category
					Chairman	Member	
Mr. Gautam Dutta - Director (DIN-02335468)	ND	12-Jan-18	14-Jun-19 <sup>§§</sup>	NA	NA	NA	NA
Ms. Anjoo Navalkar- Director (DIN - 00270356)	NED	16-Nov-18	-	-	-	-	-
Mr. Avaya Kumar Mohapatra - Director (DIN - 07811921)	ND	30-Nov-18	05-Jun-20 <sup>§</sup>	NA	NA	NA	NA
Mr. Rajeev Kumar Sinha-Director (DIN-01334549)	ND	14-Jun-19 <sup>§§§</sup>	-	1	-	-	Shree Renuka Sugars Limited - ND
Ms. Zohra Chatterji- Director (DIN-01382511)	INED	24-Mar-20 <sup>*</sup>	-	2	-	-	-
Mr. Pravir Kumar Vohra-Director (DIN-00082545)	NED	1-Sept-20 <sup>**</sup>	-	3	1	3	Thomas Cook (India) Limited-INED IDFC First Bank Limited-INED
Mr. Padmanabhan Iyer - Managing Director & Global CEO & CFO (DIN-05282942)	ED	11-Aug-16 <sup>^^</sup>	-	3	-	-	-

Legend: INED - Independent Non-Executive Director, NED - Non-Executive Director, ND - Nominee Director, ED - Executive Director

@ Excludes Directorships in private limited companies, foreign companies and companies formed under Section 8 of the Companies Act, 2013 (the "Act").

# Includes Membership/Chairmanship only in the Audit Committee and Stakeholders' Relationship Committee.

\* Was appointed as an Additional Director (designated as an Independent Non-Executive Director) on March 24, 2020, subject to approval of shareholders at the ensuing Annual General Meeting.

\*\* Was appointed as an Additional Director (designated as Non-Executive Director) on September 1, 2020, subject to approval of shareholders at the ensuing Annual General Meeting.

\*\*\* Was appointed as an additional director (designated as an Independent Non-Executive Director) on October 1, 2020, subject to approval of shareholders at the ensuing Annual General Meeting. Mr. Ashok Shah was originally appointed as Director on the Board of the Company on December 1, 2011. He was later appointed as an Independent Non-Executive Director for a period of five years on October 1, 2015.

§ Resigned on June 5, 2020 pursuant to withdrawal of nomination by Allahabad Bank (now Indian Bank) in its capacity as a Corporate Debt Restructuring (CDR) Lender.

- \$\$ Resigned on June 14, 2019 pursuant to withdrawal of nomination by IDBI Bank Limited in its capacity as a CDR Lender.
- \$\$\$ Was appointed as Nominee Director pursuant to nomination by IDBI Bank Limited in its capacity as a CDR Lender on June 14, 2019.
- ^ Re-appointed/appointed effective this date for a period of 5 years as per the Act. Dr. Shashank Desai was originally appointed as Director on the Board of the Company on November 3, 2014.
- ^^ Was appointed as Executive Director effective May 18, 2016 and was further appointed as Managing Director and Global CEO effective August 11, 2016.
- ^^^ Resigned on July 30, 2020 as an Independent Director from the Board of Directors of the Company due to his current and future work commitments.

None of the Directors or Key Managerial Personnel (KMP) of the Company are related inter se.

None of the Directors on the Board holds directorship in more than ten public companies or seven listed entities. None of the Independent Directors serves as an Independent Director on the boards of more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2020 have been made by the Directors. All Directors of the Company fulfill the requirements of maximum number of directorships laid down by Regulation 17 of SEBI LODR as on March 31, 2020 and as on the date of this CG Report.

Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a Director.

**b. Board qualifications, expertise and attributes**

The Board comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contribution to the Board and its committees. The Board members are committed to ensure that the Board is in compliance with the standards of Corporate Governance.

The Board has identified following key qualifications, skills and attributes as required for the effective functioning of the Company and which are currently available with the Board:

Global business	Experience in driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures and regulatory frameworks and a broad perspective on global market opportunities.
Strategy	Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies for the growth of the Company.
Finance	Qualifications and experience in accounting and/or finance and the ability to: <ul style="list-style-type: none"> <li>• analyse key financial statements;</li> <li>• critically assess financial viability and performance;</li> <li>• contribute to strategic financial planning and</li> <li>• oversee budgets and the efficient use of resources and oversee funding arrangements and accountability.</li> </ul>

Information Technology	<ul style="list-style-type: none"> <li>• Background in technology, resulting in knowledge of how to anticipate technological trends, generate disruptive innovation and extend or create new business models.</li> <li>• Understanding the current drivers of innovation in the information technology market and specifically in the software delivery and licensing and cloud computing sectors. Experience in delivering new product offerings in response to market demand to achieve market leadership.</li> </ul>
Risk	Ability to identify key risks to the organization in a wide range of areas including legal and regulatory compliance and monitor risk and compliance management frameworks and systems.

The specific areas of focus and expertise of individual Board members is given below. However, absence of mention regarding an area of expertise against a member's name does not necessarily mean that the member does not possess the corresponding qualification or skill.

Name of the Director	Area of Expertise
Mr. Ashok Shah Chairman and Non-Executive - Independent Director	<ul style="list-style-type: none"> <li>• Global business</li> <li>• Strategy</li> <li>• Risk</li> </ul>
Dr. Shashank Desai* Non-Executive - Independent Director	<ul style="list-style-type: none"> <li>• Global business</li> <li>• Finance</li> <li>• Risk</li> </ul>
Mr. Gautam Dutta\$ Nominee Director	<ul style="list-style-type: none"> <li>• Global business</li> <li>• Strategy</li> <li>• Finance</li> </ul>
Ms. Anjoo Navalkar Non-Executive Director	<ul style="list-style-type: none"> <li>• Global business</li> <li>• Information Technology</li> <li>• Risk</li> </ul>
Mr. Avaya Kumar Mohapatra* Nominee Director	<ul style="list-style-type: none"> <li>• Global business</li> <li>• Strategy</li> <li>• Finance</li> </ul>
Mr. Rajeev Kumar Sinha^ Nominee Director	<ul style="list-style-type: none"> <li>• Global business</li> <li>• Strategy</li> <li>• Finance</li> </ul>
Ms. Zohra Chatterji^ Non-Executive - Independent Director	<ul style="list-style-type: none"> <li>• Global business</li> <li>• Information Technology</li> <li>• Risk</li> </ul>
Mr. Pravir Kumar Vohra# Non-Executive Director	<ul style="list-style-type: none"> <li>• Global business</li> <li>• Strategy</li> <li>• Information Technology</li> <li>• Risk</li> </ul>
Mr. Padmanabhan Iyer Managing Director & Global CEO	<ul style="list-style-type: none"> <li>• Global business</li> <li>• Strategy</li> <li>• Finance</li> <li>• Information Technology</li> <li>• Risk</li> </ul>

- \* Ceased to be a Director after end of FY 2019-20.
- \$ Ceased to be a Director during the year.
- # Appointed after end of FY 2019-20.
- ^ Appointed during the year.

**c. Independent Directors**

The Board includes Directors with independent standing in their respective fields/professions who can effectively contribute to the Company's business and policy decisions.

Each Independent Director gives a declaration as required under Section 149(7) of the Act and Regulation 25(8) of SEBI LODR that he/she meets the criteria of independence as required under Section 149(6) of the Act and as per Regulation 16(1)(b) of SEBI LODR at the first meeting of the Board in which he/she participates as a Director and thereafter, at the first meeting of the Board held in every financial year. All Independent Directors maintain their limits of directorships as required under Regulation 17 of SEBI LODR. In terms of Regulation 25(8) of SEBI LODR, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. The Company has also received necessary declarations from the concerned Independent Directors regarding the compliance of independence criteria and based on the declarations received from Independent Directors, the Board is of the opinion that the Independent Directors fulfill the conditions specified in SEBI LODR and are independent of the management.

On July 30, 2020, Dr. Shashank Desai (DIN: 00143638) resigned as an Independent Director from the Board of Directors of the Company, due to his current and future work commitments. Dr. Desai also confirmed in his resignation letter that there were no other material reasons other than those provided.

Regulation 25 (3) of SEBI LODR and Section 149 (8) read with Schedule IV of the Act and the rules made thereunder mandate that the Independent Directors of the Company shall hold at least one meeting in a year, without the presence of non-independent directors and members of the Management.

Earlier in the year, the Independent Directors have met separately on May 7, 2019 for review of performance in respect of FY2018-19 of Non-Independent Directors and the Board as a whole.

The Ministry of Corporate Affairs ("MCA"), vide its circular dated March 24, 2020, has provided relaxation for the financial year 2019-20 wherein if a separate meeting of Independent Directors could not be held as required as per para VII of Schedule IV to the Act, it shall not be viewed as a violation. Due to outbreak of COVID 19 pandemic, it was not possible to hold the aforesaid meeting to review the performance during FY 2019-20 of Non-Independent Directors and the Board as a whole. However, the Nomination and Remuneration Committee has carried out evaluation of performance of the Directors and the Board as a whole during FY 2019-20 at its meeting held on July 28, 2020.

**Independent Director databank registration**

Pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, all Independent Directors have completed the registration with the Independent Director databank.

**d. Board Meetings**

Along with the matters mandated as per SEBI LODR, the Board at its meetings, reviews key matters like operations and financial results, acquisitions, joint ventures, capital/operating budgets, findings/comments of the statutory, internal and other auditors, risk management, internal controls, issue of capital and other resource mobilization efforts, etc. The Board also regularly deliberates on the Company's positioning in the Indian and global IT scenario and adopts and approves the strategy for medium and long term growth.

During the financial year ended March 31, 2020, the Board met 4 (four) times on May 7, 2019; July 12, 2019; October 17, 2019 and February 7, 2020. The intervening period between two Board Meetings was well within the maximum period of 120 days as prescribed under the Act and SEBI LODR. During FY 2019-20, information as mentioned in part A Schedule II of SEBI LODR has been placed before the Board for its consideration.

The day to day matters concerning the business are conducted by the Executives of the Company under the directions of Managing Director with ultimate supervision of the Board. The Board holds its meetings at regular intervals to review and discuss the performance of the Company, its future plans, strategies and other pertinent issues relating to the Company. Meetings are governed by a structured agenda. All agenda items are backed by comprehensive background information to enable the Board to take informed decisions. The Board members are presented in advance with the detailed agenda in respect of all Board meetings. The Board also undertakes periodical review of compliance reports and certificates of all laws applicable to the Company and its subsidiaries. On some occasions, experts are also invited who provide insights on complex matters.

### Details of Board meeting and AGM attendance of Directors during financial year 2019-20:

Director	Attendance at the AGM held on December 12, 2019	Number of Meetings held during the tenure of the Director	Number of Meetings attended	
			In person	Through tele/video conference
Mr. Ashok Shah	✓	4	4	-
Dr. Shashank Desai	✓	4	4	-
Mr. Gautam Dutta*	NA	1	-	-
Ms. Anjoo Navalkar	✓	4	4	-
Mr. Avaya Kumar Mohapatra	✓	4	2	-
Mr. Rajeev Kumar Sinha@	X	3	2	-
Ms. Zohra Chatterji#	NA	-	-	-
Mr. Padmanabhan Iyer	✓	4	4	-

\* Resigned during the year on June 14, 2019.

@ Appointed during the year on June 14, 2019.

# Appointed during the year on March 24, 2020.

#### e. Appointment criteria, performance evaluation, age and remuneration of the Directors

The policy of the Company for appointment, performance evaluation, age and remuneration of Directors is as mentioned below:

##### Appointment criteria

The Nomination and Remuneration Committee (NRC) consists of four Non-Executive Directors as on the date of this Report, of which half are Independent Directors as per provisions of the Act and SEBI LODR. NRC identifies, selects, nominates and recommends induction of Additional Directors on the Board. Based on the recommendations of NRC, the Board approves the appointment or re-appointment of Directors on the Board and their remuneration.

##### Performance Evaluation

Your Company has in place a Board evaluation framework setting out the process and the criteria for the performance evaluation which had been recommended by the NRC and approved by the

Board. The said process is in line with the provisions of the Act and SEBI LODR.

### **Process of Performance Evaluation**

The following process is being followed by the Company for performance evaluation of the individual Directors, including Independent Directors, Non-Independent Directors, Managing Director & Global CEO and Chairman, Committees of the Board and the Board as a whole:

- Independent Directors collectively evaluate the performance of Non-Independent Directors as well as the Board as a whole.
- The NRC evaluates the performance of the Managing Director and Global CEO.
- The Board, excluding the Director being evaluated, evaluates the performance of the Independent Directors.
- Based on the recommendations of the NRC, the Board takes the appropriate action/steps.

### **Criteria of Performance Evaluation**

The criteria for performance evaluation of individual Directors are inter alia:

- Quality of and regularity in participation in meetings and devotion of time to matters of the Company;
- Strategic direction, inputs, advice and contribution for long term stability and sustenance of the Company;
- Contribution to Board deliberations using their knowledge, skill, experience and expertise in relation to the business of the Company, industry, international, financial/investment banking, domestic/global market and regulatory and other environment and its practical application towards the growth of the Company;
- Contribution towards accounting, finance, tax matters, general management practices, matters of international relevance;
- Level of commitment towards compliance of legal requirements, codes of conduct and corporate ethics and values;
- Working relationships with other Board Members and Senior Management and the Director's ability to communicate with and listen to others, within and outside the Board;
- Sensitivity towards the shareholders' wealth and interest of Company's customers, suppliers, employees and partners and
- Ability to analyse and review the performance of the management on behalf of and in the interest of the stakeholders and to give concrete suggestions for course corrections.

For performance evaluation of the Independent Directors, their independence criterion and their professional expertise and skills in their individual capacity as independent professionals are also considered.

In addition to the above, the parameters for performance evaluation of Managing Director & Global CEO are qualification, length of service, potential and the extent of being self-driven and self-motivated.

### **Remuneration Policy**

As per provisions of SEBI LODR, the Company has formulated a policy of remuneration to Directors, Key Managerial Personnel (KMP) and other key employees. While deciding on the remuneration of Directors, the Board and the NRC take into consideration the performance of the Company, the current trends in the industry, the qualification of the appointee(s), their experience,

past performance and other relevant factors. The Board/ NRC regularly keeps track of the market trends in terms of compensation levels and practices in relevant industries.

The detailed policy on remuneration to directors / KMP and other employees is uploaded on the Company's website at the following link: <https://www.3i-infotech.com/investors-2/> under Corporate Governance in the Investors' section.

### Details of Remuneration / Compensation

In the year 2019-20, the Company did not pay remuneration by way of commission to the Non-Executive Directors of the Company for the year 2018-19. The NRC evaluates the performance of the Non-Executive Directors every year on the basis of well-defined parameters and discussions and its recommendations are placed before the Board. The Board considers the recommendations of the NRC while deciding the remuneration to be paid to the Non-Executive Directors. The quantum of sitting fee payable to Directors is ₹90,000 per meeting of the Board, ₹75,000 per meeting of the Audit Committee and ₹50,000 per meeting of any other committee of the Board. None of the Non-Executive Directors of the Company have any pecuniary relationship or transactions with the Company, except to the extent of their directorship in the Company. The details of the sitting fees paid to the Directors during the year 2019-20 are as given below:

Name of the Non-Executive Director	Total Sitting Fees (In ₹)		
	Gross	TDS	Net
Mr. Ashok Shah	960,000	96,000	864,000
Dr. Shashank Desai	960,000	96,000	864,000
Mr. Gautam Dutta <sup>^</sup>	-	-	-
Ms. Anjoo Navalkar	460,000	46,000	414,000
Mr. Avaya Kumar Mohapatra <sup>*</sup>	230,000	23,000	207,000
Mr. Rajeev Kumar Sinha <sup>@</sup>	330,000	33,000	297,000
Ms. Zohra Chatterji <sup>#</sup>	-	-	-

\* The sitting fees in respect of these Directors were paid to their respective employers as per their terms of appointment.

<sup>^</sup> Resigned during the year on June 14, 2019.

<sup>@</sup> Appointed during the year on June 14, 2019.

<sup>#</sup> Appointed during the year on March 24, 2020.

During the year, the Company paid remuneration to its Whole Time Director in accordance with and within the overall limits as per the provisions of Section 197 and other applicable provisions of the Act and rules thereunder, including any notifications/circulars issued by the Ministry of Corporate Affairs as per the details given below:

(in ₹ Crores)

Name of the Director	Salary, allowances, incentives & bonus*	PF & other contribution	Perquisites	Total
Mr. Padmanabhan Iyer	2.806	0.081	-	2.887

\* includes performance bonus paid for FY 2018-19

During the financial year ended on March 31, 2020, the Managing Director, who is the only Whole-Time Director of the Company, has not received any remuneration or commission from any of its subsidiaries.



**f. Number of shares, convertible instruments or options held by Directors as on March 31, 2020**

Name of the Director	Designation	Number of Shares	Number of stock options
Mr. Padmanabhan Iyer	Managing Director	1,920	87,30,000
Mr. Rajeev Kumar Sinha	Nominee Director	5,000	-

None of the other Directors hold any shares, convertible instruments or options of the Company as on March 31, 2020, except as disclosed above.

**g. Code of Conduct**

The Company has adopted a Code of Conduct for Board of Directors and Senior Management, which aims to inculcate the spirit of Corporate Governance in the affairs of the Company and promotes ethical conduct. The Code is available on the website of the Company at the following link: <https://www.3i-infotech.com/investors-2/> in the 'Investors' section under the heading 'Corporate Governance'. Adherence to this Code is essential and any breach of the same attracts disciplinary action. All the Directors and Senior Management Personnel have affirmed compliance with the said Code of Conduct as on March 31, 2020.

A declaration to this effect signed by the Managing Director forms part of this CG Report.

**h. Code of Conduct for Prevention of Insider Trading**

The Company has instituted a comprehensive Code of Conduct for Prevention of Insider Trading for Directors and Designated Persons of the Company, its subsidiaries and their dependent family members in compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code lays down guidelines, which advise them on procedures to be followed and disclosures to be made while dealing in the shares of the Company and cautions them of the consequences of violations.

The Company has also instituted a comprehensive Code of Conduct for Prevention of Insider Trading by Designated Persons of Intermediaries, Policy and Procedure for Inquiry in the event of Leak or Suspected Leak of Unpublished Price Sensitive Information and Code of Practices and Procedures for Fair Disclosure.

## II. BOARD COMMITTEES

Currently, the Board has four Committees, viz.

- Audit Committee;
- Stakeholders' Relationship Committee;
- Nomination and Remuneration Committee and
- Corporate Social Responsibility Committee.

The Committees of the Board at present, their constitution and terms of reference are set out below:

**a. Audit Committee**

The Audit Committee which acts as a link between the management, external and internal auditors and the Board of Directors of the Company, is responsible for overseeing the Company's financial reporting process by providing direction to audit function and monitoring the scope and quality of Internal and Statutory Audits.

The Audit Committee of the Company has been constituted in compliance with the provisions of Section 177 of the Act read with Regulation 18 of SEBI LODR. The Committee is entrusted with the responsibility to supervise the Company's financial reporting process and terms of reference of the Committee are as per the guidelines set out in SEBI LODR and Section 177 of the Act and

inter alia, includes the following:

- Oversee the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommend the appointment / removal of Statutory Auditor(s) & Internal Auditor(s), fixing the audit fee and also approve the payment for any other services;
- Recommending the terms of appointment of auditors of the Company;
- Review with the Management, the quarterly/annual financial statements and the auditors' report thereon before submission to the Board, with particular reference to :
  - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013;
  - b) Changes, if any, in accounting policies and practices, and reasons for the same;
  - c) Major accounting entries involving estimates based on exercise of judgment by management;
  - d) Significant adjustments made in the financial statements arising out of audit findings;
  - e) Compliance with listing and other legal requirements relating to financial statements;
  - f) Any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large and
  - g) Qualifications in draft audit report;
    - Review with the management performance of external and internal auditors and the adequacy of internal control systems;
    - Review the adequacy of internal audit function, reporting structure, coverage and frequency of internal audit;
    - Discussion with internal Auditors any significant findings and follow up there on;
    - Review the findings of any internal investigations by the internal Auditors into matters where there was suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
    - Discussion with Statutory Auditors before the audit commences, nature and scope of audit as well as have post-audit discussion to ascertain any area of concern;
    - Review the Company's financial and risk management policies;
    - Evaluation of internal financial controls and risk management systems;
    - Look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
    - Reviewing the functioning of the Whistle Blower mechanism;
    - Approving the appointment of Chief Financial Officer (CFO) before finalization of the same by the management. While approving the appointment, the Audit Committee shall assess the qualifications, experience and background, etc. of the candidate;

- Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- Approving any subsequent modification of transactions of the Company with related parties;
- Monitoring the end use of funds raised through public offer and review with the Management, the statement of uses/ application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer/document /prospectus /notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this manner;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Scrutinize inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments and
- To carry out any other function as may be required to be carried out by the Audit Committee under the Act, the listing agreement and all other applicable laws (including any statutory modification(s) or re-enactment thereof for the time being in force).

The composition of the Audit Committee as on March 31, 2019 was as under:

Director	Position
Dr. Shashank Desai	Chairman
Mr. Ashok Shah	Member
Mr. Gautam Dutta	Member

The Committee was re-constituted on June 14, 2019 by inducting Mr. Rajeev Kumar Sinha as a Member in place of Mr. Gautam Dutta.

The composition of the Audit Committee as on March 31, 2020 was as under:

Director	Position
Dr. Shashank Desai	Chairman
Mr. Ashok Shah	Member
Mr. Rajeev Kumar Sinha	Member

The Audit Committee was further re-constituted by inducting Ms. Zohra Chatterji as a Member of the Audit Committee effective May 22, 2020.

The Audit Committee comprises of Non-Executive Directors, majority of them being independent. The qualifications and expertise of the committee members are in line with requirements of SEBI LODR read with Section 177 of the Act. The Chairman of the Committee is an Independent Director. The Managing Director & Global CEO,

CFO, Internal Auditors and Statutory Auditors attend the meetings of the Audit Committee as invitees. Mr. Rajeev Limaye, Company Secretary is Secretary to Audit Committee. The Chairman of the Audit Committee attended the previous AGM held on December 12, 2019 and responded to the queries raised by the Members at the AGM.

The Committee met four times during the year 2019-20 on May 7, 2019; July 12, 2019; October 17, 2019 and February 7, 2020. The time gap between any two Meetings was less than 120 days as prescribed under SEBI LODR.

Meetings attended by the Committee members during the year:

Director	Number of Meetings held during the tenure of the Director as a Member of the Committee	Number of Meetings attended
Dr. Shashank Desai	4	4
Mr. Ashok Shah	4	4
Mr. Gautam Dutta	1	-
Mr. Rajeev Kumar Sinha	3	2

**b. Stakeholders' Relationship Committee**

The Stakeholders' Relationship Committee of the Company was constituted by the Board in compliance with the provisions of Section 178 of the Act read with Regulation 20 of SEBI LODR to look into the redressal of shareholders'/investors' complaints, such as transfer of securities, non-receipt of dividend, notice, Annual Reports and all other securities holder related matters.

The terms of reference of this Committee, inter alia, include:

- Allot to the applicants, shares and other securities issued by the Company from time to time including allotment under Employee Stock Option Scheme as amended from time to time;
- Approve transfers duly lodged for registration of transfer of shares and other securities issued and that may be issued from time to time;
- Approve or reject application for transmission of shares and other securities with and without any legal representation (i.e. probate, letter of administration, succession certificate, etc.) in the name(s) of the legal heir(s) or such other person on such terms and conditions as the Committee might deem fit;
- Reject applications for transfer of shares and other securities based on the normal technical grounds and as per any prevailing law or order;
- Lay down suitable procedure and approve issue of duplicate certificates of shares and other securities;
- Approve printing of such number of certificates of shares and other securities as the Committee might deem fit and lay down procedure(s) for their issue(s), safe keeping and proper maintenance of records etc.;
- Decide account(s) to be opened/closed with any bank(s) in India for the purpose of payment of interest/dividend or for such other purpose relating to shares or other securities and to authorise such of the executive(s) or officer(s) of the Company or any other person(s) as the Committee might deem fit to open/close and operate bank account(s) already opened for said purposes;

- Decide the stock exchange(s)/depository(ies) in India or abroad, on which shares or other securities issued by the Company to be listed or delisted including offering/issuing such shares/securities through depositories;
- Fix record date and determine closure of Register of Members and Transfer books for the purpose of payment of dividend, interest, issue of rights/bonus shares or for such other purpose as Committee might deem fit;
- Delegate the authority in respect of any or all of the above matters to any person(s), including but not restricted to the employees of its registrars to the issue and transfer agents, as may be permissible in law and on such terms and conditions as the Committee might deem fit and revoke and substitute such delegation;
- Authorize such of the officers of the Company or any other person for:
  - a) Revalidation of dividend and interest warrants, issue of duplicate dividend and interest warrants and endorsement for payment of the same to the mandatees and successors;
  - b) Signing and make endorsement on shares and all securities of the Company in respect of issues so far made and might be made hereinafter in connection with the transfer or transmission of shares and other securities, the application in respect of which is approved by the Committee;
  - c) Signing certificates of shares/other securities of the Company alongwith any two of the directors or their attorneys as witness to the seal of the Company to be affixed thereto in their presence in terms of the Companies (Share Capital and Debentures) Rules, 2014 and;
  - d) Signing the fixed deposit receipts, pass through certificates and any other instruments.
- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non – receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
- Ensure that the notices, balance sheet, annual and other reports, and other documents contain adequate disclosures to the shareholders;
- Report to the Board about the important developments in the area of servicing of the shareholders;
- Taking initiatives for better servicing of the shareholders;
- Consider and resolve grievances of shareholders, debentureholders, deposit holders and other security holders of the Company;
- Redressal of shareholders' and investors' complaints such as non-payment of interest to debenture holders and deposit holders or any security holders, etc.;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent and
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company and such other activities as the Board may determine from time to time.

## Annual Report 2019-20

The composition of the Committee as on March 31, 2019 was as under:

Name of the Director	Position
Mr. Ashok Shah	Chairman
Dr. Shashank Desai	Member
Mr. Padmanabhan Iyer	Member

The Committee was re-constituted on May 7, 2019 by inducting Mr. Avaya Kumar Mohapatra as a Member in place of Mr. Padmanabhan Iyer, who wished to step down as a Member of the Committee.

The composition of the Committee as on March 31, 2020 was as under:

Name of the Director	Position
Mr. Ashok Shah	Chairman
Dr. Shashank Desai	Member
Mr. Avaya Kumar Mohapatra	Member

On July 13, 2020, the Committee was re-constituted by inducting Mr. Rajeev Kumar Sinha pursuant to resignation of Mr. Avaya Kumar Mohapatra. On August 3, 2020, the Committee was further re-constituted by inducting Ms. Zohra Chatterji as a Member of Stakeholders' Relationship Committee pursuant to resignation of Dr. Shashank Desai.

Majority of the Members of this Committee, including the Chairman of the Committee, are Independent Non- Executive Directors. Mr. Rajeev Limaye, Company Secretary is Secretary to this Committee and the Compliance Officer of the Company.

The Committee met four times during the year 2019-20 on May 7, 2019; July 12, 2019; October 17, 2019 and February 7, 2020.

Meetings attended by the Committee members during the year:

Director	Number of Meetings held during the tenure of the Director as a Member of the Committee	Number of Meetings Attended
Mr. Ashok Shah	4	4
Dr. Shashank Desai	4	4
Mr. Avaya Kumar Mohapatra	3	1
Mr. Padmanabhan Iyer	1	1

The status of Investors' and Shareholders' instructions and grievances received during the year is as below:

Particulars	Opening Balance as on April 1, 2019	Received	Processed	Pending as on March 31, 2020
Instructions	2	38	40	NIL
Grievances	NIL	1	1	NIL

### c. Nomination and Remuneration Committee

Nomination and Remuneration Committee has been constituted in compliance with the provisions of Section 178 of the Act read with Regulation 19 of SEBI LODR and acts as a Board Governance cum Compensation Committee.

The terms of reference of this Committee inter alia include:

- Assist the Board in identifying the prospective directors and select or recommend to the Board in filling up vacancies in the offices of directors and appointment of additional directors of the Company and its subsidiaries;
- Evaluate the current composition, organization and governance of Board and its committees, Board of its subsidiaries, determine future requirements and make recommendations to the Board for approval;
- Ensure that the Board and the Board of its subsidiaries is properly constituted to meet its fiduciary obligations, the corporate governance principles and best practices;
- Determine the Directors who shall be liable to retire by rotation;
- Appointment of whole-time directors;
- Oversee the evaluation of the Board and management;
- Formulate the code of ethics and governance;
- Conduct succession planning and work with the Board for evaluating the potential successors to executive management positions;
- Co-ordinate and approve Board and Committee meeting schedules;
- Review of the terms of reference and annually review its own performance and subject it to the assessment by the Board;
- Identify persons who may be appointed in senior management in accordance with criteria laid down, recommend to the board their appointment and removal;
- Formulate the criteria for determining qualifications, positive attributes and independence of a director;
- Formulate criteria for evaluation of Independent Director and the Board;
- Devise a policy on Board diversity;
- Evaluate and recommend to the Board, the compensation plan, policies and programs for executive directors and senior management;
- Review performance of whole-time directors and whole-time directors of the subsidiaries nominated by the Company on its Board and to recommend the remuneration payable to them from time to time by way of salary, perquisites, commission, allowances, performance bonus, stock options, etc.;
- Approve the policy for and quantum of bonus payable to the members of the staff;
- Frame/modify the Employees Stock Options Scheme and recommend granting of stock options to the staff and whole-time directors of the Company and the group companies;
- Make recommendations to the Board in respect of the incentive compensation plans;
- Recommend to the board a policy relating to remuneration for the directors, key managerial personnel and other employees and
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

During the year under review, there were no changes in the composition of Nomination and Remuneration Committee.

The composition of the Committee as on March 31, 2020 was as under:

Director	Position
Dr. Shashank Desai	Chairman
Mr. Ashok Shah	Member
Ms. Anjoo Navalkar	Member

On May 22, 2020, the Committee was re-constituted by inducting Mr. Rajeev Kumar Sinha as a Member of this Committee. Further, on August 3, 2020, the Committee was re-constituted by inducting Ms. Zohra Chatterji as a Chairperson of this Committee pursuant to resignation of Dr. Shashank Desai.

The Committee met twice during the year 2019-20 on May 7, 2019 and July 12, 2019.

Meetings attended by the Committee members during the year:

Director	Number of Meetings held during the tenure of the Director as a Member of the Committee	Number of Meetings Attended
Dr. Shashank Desai	2	2
Mr. Ashok Shah	2	2
Ms. Anjoo Navalkar	2	2

All the Members of the Committee are Non-Executive Directors with majority being Independent Directors. The Chairman of the Committee is an Independent Director. The Chairman of the Board is a Member of the Committee but does not chair the Committee.

#### d. Corporate Social Responsibility (CSR) Committee

As required under Section 135 of the Act, the Board, at its meeting held on May 2, 2014, constituted a Committee for looking exclusively into the CSR initiatives of the Company.

The terms of reference of the CSR Committee inter alia include:

- Consider and formulate the Company's value and strategy with regard to CSR, develop and review the Company's CSR policies and recommend the amount of expenditure to be incurred on activities indicated in the said CSR policies;
- Identify CSR issues and related risks and opportunities relevant to the Company's operations and incorporate the issues or factors into the Company's existing risk management;
- Monitor and oversee the implementation of the Company's CSR policies and practices to ensure compliance with the applicable legal and regulatory requirements;
- Evaluate and enhance the Company's CSR performance and make recommendation to the Board for improvement;
- Review and endorse the Company's annual CSR report for the Board's approval for public disclosure and
- Monitor the CSR Policy of the Company from time to time.

During the year under review, there were no changes in the composition of Corporate Social Responsibility Committee.



The composition of the Committee as on March 31, 2020 was as under:

Director	Position
Mr. Ashok Shah	Chairman
Ms. Anjoo Navalkar	Member
Mr. Padmanabhan Iyer	Member

During the year, the Committee met once on May 7, 2019. This meeting was attended by all the Members of the Committee.

### III. GENERAL MEETINGS

#### Details of the Annual General Meetings (AGMs) held in the last three years

Year	Date and Time	Venue	Special Resolutions passed
2018-19	December 12, 2019 at 4.00 p.m.	Arya Samaj Hall, Plot No. 6, Sector 9A, Vashi, Navi Mumbai - 400 703	<ol style="list-style-type: none"> <li>Approval for payment of remuneration to Mr. Padmanabhan Iyer (DIN- 05282942) as the Managing Director and Global CEO for the period from August 11, 2019 to August 10, 2021;</li> <li>Renewal of the resolution passed by the Members on March 18, 2016 (renewed on May 21, 2017 and July 31, 2018) in relation to issue of Equity Shares against conversion of a portion of the outstanding amounts due to the DRS Lenders and ratifications of the actions taken pursuant thereto.</li> </ol>
2017-18	July 31, 2018 at 12.30 p.m.		<ol style="list-style-type: none"> <li>Renewal of the resolution passed by the Members on March 18, 2016 (and renewed on May 21, 2017) in relation to issue of Equity Shares against conversion of a portion of the outstanding amounts due to the DRS Lenders and ratification of the actions taken pursuant thereto.</li> <li>Approval for issue of shares under 3i Infotech Employee Stock Option Scheme 2018 to Employees and Directors of the Company.</li> <li>Approval for issue of shares under 3i Infotech Employee Stock Option Scheme 2018 to Employees and Directors of subsidiaries of the Company.</li> </ol>
2016-17	September 6, 2017 at 4:00 p.m.		<ol style="list-style-type: none"> <li>Approval for waiver of remuneration paid to Mr. Padmanabhan Iyer (DIN - 05282942) as the Managing Director and Global CEO in excess of limits prescribed under Companies Act, 2013 for the period from August 11, 2016 to March 31, 2017.</li> <li>Approval for payment of remuneration to Mr. Padmanabhan Iyer (DIN- 05282942) as the Managing Director and Global CEO for the period from April 1, 2017 till August 10, 2019.</li> </ol>

### Attendance of Directors at the last Annual General Meeting (“AGM”) held on December 12, 2019

Mr. Ashok Shah (Chairman of the Board, Stakeholders’ Relationship Committee and Corporate Social Responsibility Committee), Mr. Padmanabhan Iyer (Managing Director & Global CEO), Dr. Shashank Desai (Independent Director and Chairman of Audit Committee and Nomination and Remuneration Committee), Ms. Anjoo Navalkar (Non-Executive) Director, Mr. Avaya Kumar Mohapatra (Nominee Director- Allahabad Bank) had attended the previous AGM, while Mr. Rajeev Kumar Sinha (Nominee Director- IDBI Bank Limited) could not attend the previous AGM.

Apart from Directors, Mr. Sanjeev Maheshwari, Partner from GMJ & Company- Statutory Auditor and Mr. Avinash Bagul, Scrutinizer and Partner from BNP & Associates, Practising Company Secretaries - Secretarial Auditor were also present at the previous AGM.

### Details of Extraordinary General Meetings held during the last three years:

Year	Date and Time	Venue	Special Resolutions proposed but not passed due to absence of requisite majority
2018-19	Wednesday, June 20, 2018 at 10:30 a.m.	Vishnudas Bhave Natyagraha, Sector-16A, Opp. Vashi Bus Depot, Vashi, Navi Mumbai - 400 703	Appointment of Mr. Roopendra Narayan Roy (DIN: 00152621) as an Independent Director for a period of 5 (five) years effective June 20, 2018.

### Resolutions passed through Postal Ballot

During the year 2019-20 and till the date of this CG Report, the Company sought the approval of the Members by way of Postal Ballot pursuant to Section 110 of the Act read with the rules thereunder, the details of which are given below:

Date of the Notice	Last date for receipt of Postal Ballot Forms	Date of Result	Name of the Scrutinizer	Resolutions passed through Postal Ballot	Type of Resolution
April 10, 2019	May 24, 2019	May 27, 2019	Mr.K.Venkataraman, Sr. Associate, BNP & Associates	Appointment of Ms. Anjoo Navalkar (DIN- 00270356) as a Director of the Company.	Ordinary
June 9, 2019	July 24, 2019	July 26, 2019	Mr. Avinash Bagul, Partner, BNP & Associates	Approval for sale, transfer or disposal of the shares held by the Company in Locuz Enterprise Solutions Limited, one of the material subsidiaries of the Company.	Special

Pursuant to Section 110 of the Act read with rules thereunder, notice of the Postal Ballot was sent in electronic form to all those shareholders whose email ids were registered with the Depository Participant (DP) and Postal Ballot forms along with the notice were sent through courier/speed post to those shareholders whose email ids were not so registered with the DP.

The results of the Postal Ballots declared on May 27, 2019 and July 26, 2019 respectively, details of which are given below, were also displayed at the registered office of the Company and on its website:

Particulars	Number of Shares held	Number of Votes polled	Percentage of Votes polled on outstanding shares	Number of Votes- in favour	Number of Votes- against	Percentage of Votes in favour on votes polled	Percentage of Votes against on votes polled
Appointment of Ms. Anjoo Navalkar (DIN:00270356) as a Director of the Company.	1,616,644,862	450,956,358	27.895	450,571,235	385,123	99.915	0.085
Approval for sale, transfer or disposal of the shares held by the Company in Locuz Enterprise Solutions Limited, one of the material subsidiaries of the Company.	1,616,644,862	341,755,269	21.140	340,976,751	778,518	99.772	0.228

#### IV. DISCLOSURE REQUIREMENTS

##### a) Related party transactions:

During the year under review, the contracts or arrangements with related parties referred in Section 188 of the Act have been on arm`s length basis and in ordinary course of business and they were not material in nature. The details of related party transactions entered into between the Company and its promoters, subsidiaries, directors or their relatives, etc. have been presented in the Notes to Accounts in the Annual Report.

The Board has approved a policy on dealing with related party transactions which has been uploaded on the Company`s website at the following link: <https://www.3i-infotech.com/investors-2/> under Corporate Governance in the Investors` section.

##### b) Details of non-compliance, penalties, and strictures imposed on any matter related to capital markets during the last three years:

During the Financial Year 2018-19, at the Annual General Meeting held on July 31, 2018, the resolution for appointment of Director in place of Ms. Sarojini Dikhale (DIN-02755309), who was liable to retire by rotation and being eligible, offered herself for re-appointment, was not passed under remote E-voting and voting conducted at the meeting through physical ballot for want of the requisite majority. Due to cessation of office of Ms. Sarojini Dikhale as a Director, composition of the Board of Directors was not as per Regulation 17 (1) of SEBI LODR since there was no woman director on the Board of the Company from November 1, 2018 upto November 15, 2018. Hence, penalty of ₹88,500 each was imposed on the Company by the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Company paid the said penalty within the timeline prescribed by the Exchanges. Further, Ms. Anjoo Navalkar was appointed as an Additional (Non-Executive) Director by the Board w.e.f. November 16, 2018 whereafter the Company was in compliance of provisions of Regulation 17 of SEBI LODR.

No penalties or strictures were imposed on the Company by Stock Exchanges, the Securities and Exchange Board of India (SEBI) or any statutory or other authority on any matters relating to capital markets during Financial Year 2017-18.

Except for the above, no other penalties or strictures were imposed on the Company by Stock Exchanges, SEBI or any statutory or other authority on any matters relating to capital markets during the last three financial years.

**c) Whistle Blower Policy/Vigil Mechanism:**

The Company has put in place a Whistle Blower Policy and has established the necessary vigil mechanism to enable the employees and Directors to report concerns on unethical behavior.

Under the Policy, employees and Directors of the Company and its subsidiaries are free to communicate any matters of concern in areas of accounts, finance, management, operations, employment and other affairs of the Company and its subsidiaries and discuss the same in terms of this Policy. Since this Policy came into effect, no employee has been denied access to the Chairman of the Audit Committee.

The Policy is put up on the website of the Company at the following link: <https://www.3i-infotech.com/investors-2/> under Corporate Governance in the Investors' section.

**d) Details of compliance with mandatory requirements and adoption of non-mandatory Corporate Governance requirements mentioned in SEBI LODR:**

The Company has complied with all the mandatory requirements and has also adopted the following non-mandatory requirements of SEBI LODR:

**i. The Board:**

The Company arranges for reimbursement of expenses incurred by Non-Executive Chairman of the Company for his official duties.

**ii. Shareholders' right:**

The Company's quarterly and half yearly results are published in the newspapers and also uploaded on its website [www.3i-infotech.com](http://www.3i-infotech.com) and on Stock Exchange websites namely [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com). Therefore, no individual communications are sent to the shareholders in this regard.

**iii. Separate posts of Chairman and CEO:**

Mr. Ashok Shah, Independent Non-Executive Director, is the Chairman of the Company and Mr. Padmanabhan Iyer is the Managing Director and Global CEO of the Company. Both are not related inter se. The Company has complied with the requirement of having separate persons for the post of Chairman and CEO.

**iv. Unmodified opinion in Audit Report:**

The Auditors have expressed an unmodified opinion on the financial statements of the Company.

**e) Other disclosure requirements:**

**1. Training of Board Members:**

A new Director, on being inducted to the Board, is familiarized with the Company's corporate profile, Code of Conduct for Directors and Senior Management, Insider Trading Code and the Company's Policy for Prohibition of Fraudulent and Unfair Trading Practices in Securities. The details of the familiarisation programme have been uploaded on the Company's website at the following link: <https://www.3i-infotech.com/investors-2/> under Corporate Governance in the Investors' section.

**2. Policy for determining material subsidiaries of the Company:**

The Company has 2 (two) material subsidiaries viz. 3i Infotech Inc. and 3i Infotech Holdings Private Limited, considering the financials of the Company for the year ended March 31, 2020 as per threshold limits specified under Regulation 24 of SEBI LODR. Mr. Ashok Shah, Independent Director has been appointed on the Board of these material subsidiaries of the Company i.e. 3i Infotech Holdings Private Limited and 3i Infotech Inc. effective May 22, 2019 and June 6, 2019 respectively.

The policy for determining material subsidiaries is available on the website of the Company at the following link: <https://www.3i-infotech.com/investors-2/> under Corporate Governance in the Investors' section.

**3. Management Discussion & Analysis:**

A detailed Management Discussion and Analysis report along with risks and concerns is given in a separate section of the Annual Report.

**4. Details of utilization of funds raised through Preferential Allotment / Qualified Institutional Placement:**

During the Financial Year 2019-20, the Company has not raised any capital through preferential allotment of shares or through qualified institutional placement.

**5. Disqualification of Directors:**

During the Financial Year 2019-20, none of the directors on the board of the Company has been debarred or disqualified from being appointed or continuing as a director of a company by SEBI or Ministry of Corporate Affairs or any other statutory authority. The certificate from Practicing Company Secretary, M/s. BNP & Associates, affirming the above has been obtained by the Company and the same is appended herewith as an annexure to this CG Report.

**6. Recommendations of Board / Committees:**

During the Financial Year 2019-20, the recommendations / opinions suggested by the members on respective subject matters during the Committee / Board Meetings were thoroughly discussed and broadly reviewed by the members and were unanimously approved.

**7. Fees to Statutory Auditors:**

During the year under review, the Company and its subsidiaries have made payments to the statutory auditor of the Company for providing audit and other services. The consolidated details of fees are mentioned below:

<b>Fees paid to Statutory Auditor by the Company and its subsidiaries</b>	<b>Amount (in ₹)</b>
Statutory Audit fees	7,479,676
Fees towards other services	1,750,490
<b>Total</b>	<b>9,230,166</b>

Note: The above fees are considered on accrual basis as accounted in the financial statements.

**8. Commodity price risk or foreign exchange risk and commodity and other hedging activities:**

The Company does not deal in commodities and hence, the disclosure pursuant to SEBI Circular (Ref: SEBI/HO/CFD/CMD1/CIR/P/2018/000000141) dated November 15, 2018 is not required to be given.

**9. Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has in place a policy aiming at prevention of Sexual Harassment at all workplaces of the Company in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder. An internal Complaint Committee has been set up in the Company in accordance with this legislation to consider and redress complaints received with respect to sexual harassment. As per requirements of SEBI LODR, details of complaints or grievances of the nature covered under the said legislation are mentioned below.

Particulars	No. of cases
Number of complaints pending as on April 1, 2019	NIL
Number of complaints filed during the financial year	NIL
Number of complaints disposed of during the financial year	NIL
Number of complaints pending as on March 31, 2020	NIL

**10. Code of Conduct for Prevention of Insider Trading:**

The Company, in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, has formulated the Code of Conduct for prevention of Insider Trading by Designated Persons, Code of Conduct for prevention of Insider Trading by Designated Persons of Intermediaries, Code of Practices and procedures for Fair Disclosure and Policy and Procedure for inquiry in the event of leak of suspected leak of Unpublished Price Sensitive Information (UPS).

**V. MEANS OF COMMUNICATION - QUARTERLY / HALF YEARLY RESULTS, ETC.**

The Company's periodic financial results, factsheets and official news releases made to the investors and analysts are displayed on the website of the Company at [www.3i-infotech.com](http://www.3i-infotech.com). Financial results are also published in The Financial Express (English) and Navshakti (regional newspaper). During Financial Year 2019-20, the Company has not made any presentations to the institutional investors or analysts.

The Company has an Investor Relations cell to address the grievances / queries of the shareholders. In order to enable shareholders to raise queries and grievances, the Company has a separate email ID: [investors@3i-infotech.com](mailto:investors@3i-infotech.com).

**VI. GENERAL SHAREHOLDER INFORMATION**

**a) Details of ensuing AGM:**

Day and Date	Time	Venue
Wednesday, December 23, 2020	2:00 p.m. (IST) (through VC/OAVM)	Tower # 5, 3 <sup>rd</sup> to 6 <sup>th</sup> Floors, International Infotech Park, Vashi, Navi Mumbai - 400 703 (Deemed Venue)

b) **Schedule of the Board Meetings for consideration of Financial Results:**

Quarter Ended	Date
June 30, 2020	July 28, 2020
September 30, 2020	October 22, 2020
December 31, 2020	February 6, 2021*
March 31, 2021	May 7, 2021*

\* Above dates are tentative and subject to change.

c) **Financial Year:** April 1, 2019 - March 31, 2020

d) **Date of Book Closure:** Wednesday, December 16, 2020 to Wednesday, December 23, 2020 (both days inclusive)

e) **Listing:**

The Equity Shares are listed on NSE and BSE. Annual Listing Fees have been paid to both these Stock Exchanges.

f) **Stock Exchanges Codes and ISIN (International Securities Identification Number):**

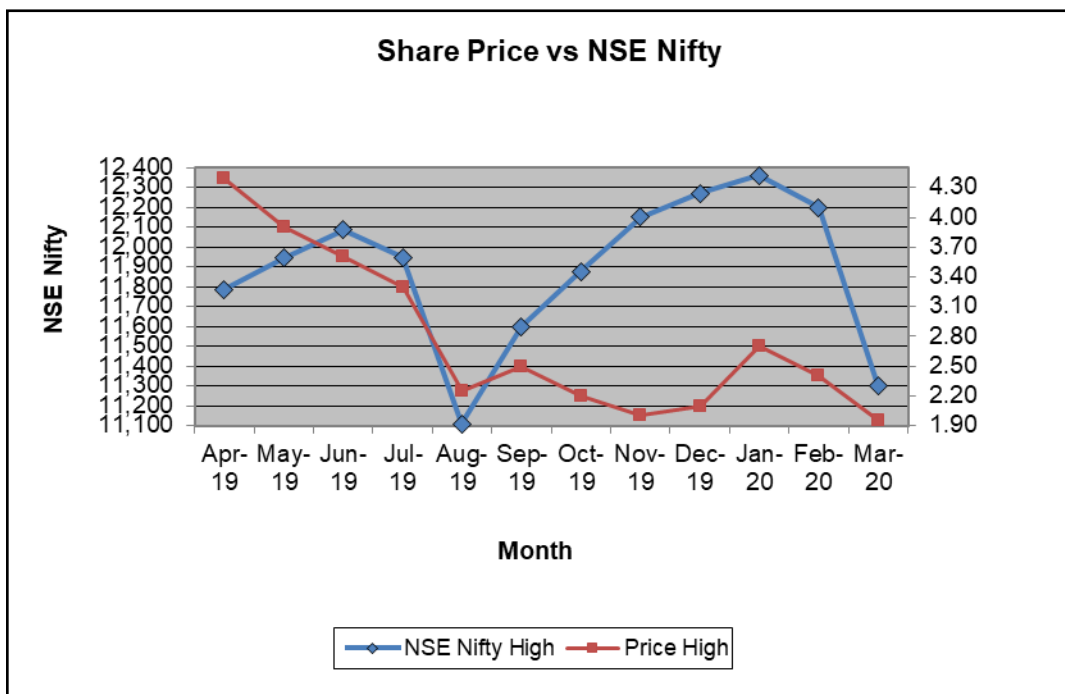
Stock Exchange	NSE	BSE
Exchange Code	3IINFOTECH	532628
Temporary ISIN in National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) pending receipt of trading approvals from exchanges	IN8748C01011	
Permanent ISIN in NSDL and CDSL for credit of shares upon receipt of trading approvals from exchanges	INE748C01020	

g) **Stock Market Data:**

Monthly highs, lows and trading volume for 2019-20:

Month	National Stock Exchange			Bombay Stock Exchange			Total Quantity Traded
	High	Low	Trade Quantity	High	Low	Trade Quantity	
April-19	4.40	3.70	5,09,20,541	4.41	3.68	96,32,061	6,05,52,602
May-19	3.90	3.45	3,39,05,978	3.93	3.41	71,10,739	4,10,16,717
June-19	3.60	3.20	2,53,70,732	3.64	3.21	56,80,815	3,10,51,547
July-19	3.30	2.25	4,93,04,145	3.30	2.27	94,11,032	5,87,15,177
August-19	2.25	1.65	3,03,62,160	2.27	1.69	58,83,721	3,62,45,881
September-19	2.50	1.70	2,69,77,960	2.49	1.74	57,53,011	3,27,30,971
October-19	2.20	1.95	2,41,75,551	2.21	1.96	41,83,066	2,83,58,617
November-19	2.00	1.90	2,11,10,854	2.02	1.90	52,87,091	2,63,97,945
December-19	2.10	1.95	2,31,24,845	2.09	1.94	70,82,958	3,02,07,803
January-20	2.70	2.00	7,26,80,525	2.72	2.01	1,51,75,187	8,78,55,712
February-20	2.40	1.95	2,99,21,587	2.33	1.94	67,26,899	3,66,48,486
March-20	1.95	1.20	4,32,28,865	1.93	1.21	71,59,503	5,03,88,368

h) 3i Infotech share prices versus the NSE Nifty:



i) Distribution of Holdings as on March 31, 2020:

Shareholding of nominal value of (₹)	Shareholders		Share Amount	
	Number	Percentage to total (%)	(₹)	Percentage to total (%)
Upto 5000	96,765	61.72	161,758,870	1.00
5001-10000	20,268	12.93	177,834,370	1.10
10001-20000	13,385	8.54	217,477,250	1.35
20001-30000	6,074	3.87	16,072,509	0.99
30001-40000	2,996	1.91	110,094,510	0.68
40001-50000	3,949	2.52	191,538,730	1.19
50001-100000	6,103	3.89	478,886,330	2.96
100001 and above	7,237	4.62	14,668,233,510	90.73
<b>Total</b>	<b>156,777</b>	<b>100.00</b>	<b>16,166,548,660</b>	<b>100.00</b>

j) Shareholding Pattern as on March 31, 2020:

Category	Shares	Percentage (%)
Promoter- IDBI Trusteeship Services Limited (ICICI Strategic Investments Fund)	-	-
Government Financial Institutions	14,077,422	0.87
Nationalized Banks	187,775,784	11.62
Financial Institutional Investors (FIIs)	1,080,196	0.07
Overseas Corporate Bodies (OCBs)	-	-



Category	Shares	Percentage (%)
Foreign Banks / Companies	204,592,583	12.66
Non-Residents	126,588,900	7.83
Mutual Funds	-	-
Bodies Corporate	110,737,174	6.84
Other Banks	203,311,475	12.58
Resident Indians	766,989,862	47.44
NBFCs Registered with RBI	1,153,920	0.07
Provident Fund-Pension Fund	-	-
Investors' Education and Protection Fund (IEPF)	347,550	0.02
<b>Total</b>	<b>1,616,654,866</b>	<b>100.00</b>
<b>Number of Shareholders</b>		<b>156,777</b>

**k) Registrar and Transfer Agent:**

The Company is a SEBI Registered, Category I Share Transfer Agent and handles all Registrar and Transfer Agents' work in-house. The Company has adequate infrastructure to service its Shareholders.

**l) Share transfer system:**

The Company, as SEBI Registered Registrar and Transfer agent, has expertise and effective systems for share transfers.

**m) Dematerialization of shares and liquidity:**

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 issued by SEBI vide notification (Ref: SEBI/LAD-NRO/GN/2018/24) and published in Official Gazette on June 8, 2018 read with SEBI notification (Ref: SEBI/LAD-NRO /GN/ 2018/49) published in Official Gazette on November 30, 2018, SEBI has mandated that with effect from April 1, 2019, requests for effecting transfer of securities shall not be processed unless securities are held in a dematerialized form with a depository, except in case of transmission or transposition of securities.

As on March 31, 2020, all the shares of the Company were held in dematerialized mode, except 6,636,755 shares, which were held in physical mode.

The Company has disseminated an advisory on its website at the following link: : <https://www.3i-infotech.com/investors-2/> under General Announcements in the Investors' section for the benefit of the relevant shareholders briefing them about the requirement of shares being in demat form to be transferable along with a brief procedure for dematerializing physical holdings into demat. Those Shareholders who have not yet dematerialized their holding are requested to please proceed to dematerialize their physical holding.

**n) Top 10 equity shareholders of the Company as on March 31, 2020:**

Sr. No.	Name of the Shareholder	Number of equity shares held	Percentage of holding
1	SREI Multiple Asset Investment Trust	263,909,361	16.32
2	IDBI Bank Limited	123,087,521	7.61
3	Standard Chartered Bank	116,131,094	7.18
4	Sony Sebastian	57,959,296	3.59

Sr. No.	Name of the Shareholder	Number of equity shares held	Percentage of holding
5	Allahabad Bank	49,991,676	3.09
6	Canara Bank	49,185,620	3.04
7	MACSF Epargne Retraite	40,416,504	2.50
8	Energy Management Limited	40,021,201	2.48
9	Standard Chartered Securities (India) Limited	27,646,212	1.71
10	HDFC Bank Limited	25,895,818	1.60
	<b>TOTAL</b>	<b>794,244,303</b>	<b>49.13</b>

**o) Unclaimed Shares lying in Demat Suspense Account:**

The Company has a separate demat suspense account (no. IN302902/47834376) as per the requirements of Regulation 39 read with Schedule VI of the SEBI LODR (previously SEBI Circular No. SEBI/CFD/DIL/LA/1/2009/24/04 dated April 24, 2009 amending the erstwhile listing agreement) for the purpose of holding unclaimed shares.

The details of shares held in the said demat suspense account are as under:

Particulars	Number of Shareholders	Number of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account as on April 1, 2019	4	532
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	-	-
Number of holders to whom shares were transferred from suspense account during the year	-	-
Aggregate number of shareholders and the outstanding shares lying in suspense account as on March 31, 2020	4	532

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

**p) Transfer to Investor Education and Protection Fund:**

As per the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") which came into force from September 7, 2016, the Company was required to file with the Registrar of Companies (ROC), details of unclaimed/unpaid dividend lying with the Company which would be transferred to Investors' Education and Protection Fund (IEPF) after a period of seven years of its declaration and to display the details on the website of the Company. Accordingly, the details of unclaimed/unpaid dividend were filed with ROC and were also displayed on the website of the Company.

Further, the Company has not declared dividend on its equity shares after Financial Year 2010-11 and all the unclaimed dividend till Financial Year 2010-11 has already been transferred to IEPF as required by the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

Further, the Company has also transferred all those shares in respect of which dividend has not been claimed/paid for seven consecutive years as per provisions of Section 124(6) of the Act read with Rules 6 and 8 of IEPF Rules.

**q) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:**

The details of the outstanding Foreign Currency Convertible Bonds as on March 31, 2020 are given below:

Particulars	USD 125.356 Million 5% Convertible Bonds due 2025	USD 2.435 Million 4.75% Convertible Bonds due 2025	USD 42.44175 Million 2.50% Convertible Bonds due 2025
ISIN	XS0769181982	XS0308551166	XS1423751418
Outstanding Amount	USD 2.22 Million	USD 0.36 Million	USD 13.35 Million
Coupon/Yield (payable at semi-annual intervals)	2.50% p.a.	2.50% p.a.	2.50% p.a.
Conversion Price	₹16.50	₹165.935	₹12.50
Fixed Exchange Rate	1 USD = ₹50.7908	1USD = ₹40.81	1USD = ₹66.326
Maturity Date	March 31, 2025	March 31, 2025	March 31, 2025
Redemption Price	100% of the principal amount	100% of the principal amount	100% of the principal amount
Expected number of shares to be issued	6,839,442	88,896	70,817,597

**r) Credit ratings:**

CRISIL Limited has reaffirmed the credit rating of the Company of “CRISIL BBB-/Stable” in respect of the long term bank loan facilities of the Company in June 2019 and also in May 2020 after the end of the year. One of the other rating agencies, CARE has also rated the Company “CARE BBB-; Stable” in January 2020.

**s) Plant Locations:**

As the Company is engaged in the Information Technology industry, it does not have any plant. The Company operates from various offices in India and abroad.

**t) Address for correspondence :**

**COMPLIANCE OFFICER**

Company Secretary & Compliance Officer

3i Infotech Limited

(CIN: L67120MH1993PLC074411)

Tower # 5, 5<sup>th</sup> Floor, International Infotech Park,  
Vashi, Navi Mumbai 400 703,

Maharashtra (India)

Ph: (91-22) 7123 8000

Email: [investors@3i-infotech.com](mailto:investors@3i-infotech.com)

**SHARE DEPARTMENT**

3i Infotech Limited

Tower # 5, 3<sup>rd</sup> Floor, International Infotech Park,  
Vashi Railway Station Commercial Complex,

Vashi, Navi Mumbai 400 703,  
Maharashtra (India)

Ph: (91-22) 7123 8015/8034

Email: [investors@3i-infotech.com](mailto:investors@3i-infotech.com)

**Navi Mumbai, October 22, 2020**

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

*(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,  
The Members of  
3i Infotech Limited  
Tower # 5, International Infotech Park,  
Vashi Station Complex,  
Navi Mumbai - 400 703, Maharashtra

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **3i Infotech Limited** having **CIN (L67120MH1993PLC074411)** and having registered office at **Tower # 5, International Infotech Park, Vashi Station Complex, Navi Mumbai- 400 703, Maharashtra** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers. We hereby certify that none of the Directors on the Board of the Company, as stated below, for Financial Year ending on 31<sup>st</sup> March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment/re-appointment in Company
1	Mr. Ashok Shah	01194846	01/10/2015 <sup>^</sup>
2	Dr. Shashank Narendra Desai	00143638	23/09/2015 <sup>*</sup>
3	Ms. Zohra Chatterji	01382511	24/03/2020 <sup>**</sup>
4	Mr. Avaya Kumar Mohapatra	07811921	30/11/2018
5	Ms. Anjoo Tejwant Navalkar	00270356	16/11/2018
6	Mr. Rajeev Kumar Sinha	01334549	14/06/2019
7	Mr. Padmanabhan Nemmara Ranganathan Iyer	05282942	11/08/2016 <sup>^^</sup>

<sup>^</sup> Mr. Ashok Shah was originally appointed on 01/12/2011 as per the data reflecting in the MCA site.

<sup>\*</sup> Dr. Shashank Narendra Desai was originally appointed on 03/11/2014 as per the data reflecting in the MCA site.

<sup>\*\*</sup> Ms. Zohra Chatterji was appointed by the Board of Directors as an Additional Non-Executive Independent Director of the Company w.e.f. 24/03/2020, subject to the approval of Members in the ensuing General Meeting.

<sup>^^</sup> Mr. Padmanabhan Iyer was appointed as Executive Director effective 18/05/2016 and was further appointed as Managing Director and Global CEO effective 11/08/2016.

Ensuring the eligibility of / for the appointment / continuity of every Directors on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For BNP & Associates**  
**Company Secretaries**  
**Firm Registration No.P2014MH037400**

**Avinash Bagul**  
**Partner**  
**FCS No. 5578**  
**C P No. 19862**  
**PR No. 637 / 2019**  
**UDIN : F005578B001202950**

**Place:- Mumbai**  
**Date:- November 10, 2020**

## **CERTIFICATE FROM MANAGING DIRECTOR & GLOBAL CEO FOR COMPLIANCE OF CODE OF CONDUCT FOR BOARD AND SENIOR MANAGEMENT**

This is to certify that 3i Infotech Limited has put in place the Code of Conduct for the Board of Directors and Senior Management. This Code is applicable to all the Directors of the Company and the Members of Senior Management, who are one level below the Executive Directors, including all the functional heads and Business heads and includes Company Secretary and Chief Financial Officer. The Directors and Members of Senior Management have affirmed compliance with the Code of Conduct for the Board of Directors and Senior Management for the financial year ended March 31, 2020.

**Padmanabhan Iyer,  
Managing Director & Global CEO,  
3i Infotech Limited**

**October 22, 2020 at Navi Mumbai**

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## **CERTIFICATE OF COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

To  
The Members of  
3i Infotech Limited

We have examined the compliance of conditions of Corporate Governance, by 3i Infotech Limited ("the company"), for the financial year ended March 31, 2020, as prescribed in the Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR").

We state that the compliance of conditions of Corporate Governance is the responsibility of the management of the Company and our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations, given to us, we certify that the Company has complied with the conditions of Corporate Governance, as stipulated in the aforesaid provisions of LODR.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or the effectiveness with which the management has conducted the affairs of the Company.

**For BNP & Associates  
Company Secretaries  
[Firm Regn. No. P2014MH037400]**

**Avinash Bagul  
Partner  
FCS No. 5578 / CP No. 19862  
[PR No. 637 /2019]  
UDIN:F005578B001037884**

**Place: Mumbai  
Date: October 22, 2020**