

February 11, 2016

The Manager,  
BSE Limited  
PJ Tower, Dalal Street,  
Fort, Mumbai -400 001

Dear Sir,

**BSE Scrip Code -532628**

**Sub: Outcome of Board Meeting**

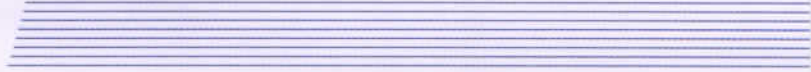
1. This is to inform you that the Board of Directors ("the Board") of the Company at its Meeting held on February 11, 2016, has approved the Audited Financial Results of the Company for the quarter and nine months ended December 31, 2015.

In this connection, please find enclosed herewith –

- a) Copy of Audited Financial Results for the quarter and nine months ended December 31, 2015 and Auditors Certificate as per the prescribed format pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and
  - b) Press Release by the Company regarding the financial performance of the Company.
2. Further, as per Regulation 30 (5) of the SEBI LODR, the Board has authorized any one of Key Managerial Personnel (KMP) to determine, whether any event is to be classified as a "Material Event" for the purpose of making disclosure to the Stock Exchanges. The contact details of the KMP who have been authorized are as under-

Name & Designation of KMP	Contact Details
Mr. Madhivanan Balakrishnan Managing Director & Global CEO	Tower # 5, 3 <sup>rd</sup> to 6 <sup>th</sup> Floor, International Infotech Park, Vashi, Navi Mumbai -400 703
Mr. Padmanabhan Iyer Chief Financial Officer	Tel No.- 022- 4113 8000 Email- <a href="mailto:investors@3i-infotech.com">investors@3i-infotech.com</a>





The above details are also being made available on the website of the Company  
[www.3i-infotech.com](http://www.3i-infotech.com)

Kindly take the above on record and acknowledge receipt.

Thanking you,

Yours faithfully,

For 3i Infotech Limited

**Padmanabhan Iyer**  
Chief Financial Officer



Encl: As above



3i Infotech Limited (CIN: CL76120MH1993PLC074411)

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

Email: investors@3i-infotech.com

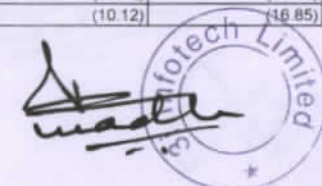
Website: www.3i-infotech.com

Tel No. 022-4113 8000

Statement of Consolidated Audited Financial Results for the Quarter and nine months ended December 31, 2015

(Rupees in Lacs)

Particulars	3 months ended (31/12/2015) Audited	Preceding 3 months ended (30/09/2015) Audited	Corresponding 3 months ended in the previous year (31/12/2014) Audited	Year to Date figures for current period ended (31/12/2015) Audited	Year to Date figures for previous period ended (31/12/2014) Audited	Figures for Previous Year Ended (31/03/2015) Audited
<b>1 Net Sales/Income from Operations</b>	<b>28,639</b>	<b>29,285</b>	<b>31,963</b>	<b>85,384</b>	<b>1,03,869</b>	<b>1,34,400</b>
<b>2 Expenses</b>						
a. Employee benefits expense	15,993	16,167	17,553	48,416	57,705	72,293
b. Depreciation and amortisation expense	5,060	4,965	5,412	14,966	17,162	22,910
c. Item exceeding 10% of the total expenses :						
d. Cost of third party products / outsourced services & bought out items	5,767	5,612	5,996	16,241	20,680	27,934
e. Foreign exchange loss/(gain) (net)	1,294	2,532	2,043	4,620	2,836	337
f. Other expenses	2,943	3,518	3,958	9,762	14,190	16,564
<b>Total Expenses</b>	<b>31,057</b>	<b>32,794</b>	<b>34,962</b>	<b>94,005</b>	<b>1,12,573</b>	<b>1,40,038</b>
<b>3 Profit (+) / Loss (-) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>(2,418)</b>	<b>(3,509)</b>	<b>(2,999)</b>	<b>(8,621)</b>	<b>(8,704)</b>	<b>(5,638)</b>
4 Other Income	64	167	138	333	431	443
<b>5 Profit (+) / Loss (-) from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>(2,354)</b>	<b>(3,342)</b>	<b>(2,861)</b>	<b>(8,288)</b>	<b>(8,273)</b>	<b>(5,195)</b>
6 Finance costs	4,670	4,683	5,073	14,247	16,416	21,140
<b>7 Profit (+) / Loss (-) from ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>(7,024)</b>	<b>(8,025)</b>	<b>(7,934)</b>	<b>(22,535)</b>	<b>(24,689)</b>	<b>(26,335)</b>
8 Add / (Less) : Exceptional Items	-	-	(21,958)	-	(31,567)	(67,317)
<b>9 Profit (+) / Loss (-) from ordinary activities before tax (7-8)</b>	<b>(7,024)</b>	<b>(8,025)</b>	<b>(29,892)</b>	<b>(22,535)</b>	<b>(56,256)</b>	<b>(93,652)</b>
10 Less / (Add) : Tax expense	335	122	(121)	536	1,033	1,113
11 Tax Expense for Earlier Years	549	1,197	209	1,629	698	2,840
<b>12 Net Profit (+) / Loss (-) from ordinary activities after tax (9-10-11)</b>	<b>(7,908)</b>	<b>(9,344)</b>	<b>(29,980)</b>	<b>(24,700)</b>	<b>(57,987)</b>	<b>(97,606)</b>
13 Add / (Less) : Extra ordinary items	-	-	-	-	-	-
14 Less / (Add) : Minority Interest	(51)	(113)	(21)	(208)	32	21
<b>15 Net Profit (+) / Loss (-) after taxes, minority interest and extraordinary items (12+13-14)</b>	<b>(7,857)</b>	<b>(9,231)</b>	<b>(29,959)</b>	<b>(24,492)</b>	<b>(58,019)</b>	<b>(97,627)</b>
16 Paid-up equity share capital	63,619	61,252	58,612	63,619	58,612	60,375
Face value per share (Rs.)	10.00	10.00	10.00	10.00	10.00	10.00
17 Reserves excluding Revaluation Reserves (including Securities Premium)						(1,17,851)
<b>18 Earnings Per Share (EPS)</b>						
<b>Earnings Per Share (before exceptional items and discontinuing operations)</b>						
Basic (Rs.)	(1.32)	(1.59)	(1.46)	(4.05)	(4.66)	(5.28)
Diluted (Rs.)	(1.32)	(1.59)	(1.46)	(4.05)	(4.66)	(5.28)
<b>Earnings Per Share (after exceptional items and discontinuing operations)</b>						
Basic (Rs.)	(1.32)	(1.59)	(5.23)	(4.05)	(10.12)	(16.85)
Diluted (Rs.)	(1.32)	(1.59)	(5.23)	(4.05)	(10.12)	(16.85)



*[Handwritten signature]*



3i Infotech Limited (CIN: CL76120MH1993PLC074411)

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: 022-4113 8000

**Statement of Consolidated Audited Financial Results for the Quarter and nine months ended December 31, 2015.**

(Rupees in Lacs)

Particulars	3 months ended (31/12/2015) Audited	Preceding 3 months ended (30/09/2015) Audited	Corresponding 3 months ended in the previous year (31/12/2014) Audited	Year to Date figures for current period ended (31/12/2015) Audited	Year to Date figures for previous period ended (31/12/2014) Audited	Figures for Previous Year Ended (31/03/2015) Audited
<b>1 Segment Revenue</b>						
a IT Solutions	27,115	27,685	30,376	80,800	99,022	1,28,026
b Transaction Services	1,524	1,600	1,588	4,584	4,847	6,374
<b>Total Net sales/Income From Operations (a+b)</b>	<b>28,639</b>	<b>29,285</b>	<b>31,963</b>	<b>85,384</b>	<b>1,03,869</b>	<b>1,34,400</b>
<b>2 Segment Results (Gross Profit)</b>						
a IT Solutions	6,939	7,407	8,571	21,059	26,631	35,859
b Transaction Services	384	470	473	1,283	1,063	1,554
<b>Total (a+b)</b>	<b>7,323</b>	<b>7,877</b>	<b>9,044</b>	<b>22,342</b>	<b>27,694</b>	<b>37,413</b>
<b>Less:</b> Selling and Other expenses	3,387	3,889	4,588	11,377	16,400	19,804
Finance costs	4,670	4,683	5,073	14,247	16,416	21,140
Depreciation & Amortisation	5,060	4,965	5,412	14,966	17,162	22,910
Foreign Exchange loss/(gain)	1,294	2,532	2,043	4,620	2,836	337
<b>Add:</b> Un-allocable income	64	167	138	333	431	443
<b>Total Profit (+) / Loss (-) Before Tax</b>	<b>(7,024)</b>	<b>(8,025)</b>	<b>(7,934)</b>	<b>(22,535)</b>	<b>(24,689)</b>	<b>(26,335)</b>

The 3i Infotech group ("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.



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**Notes:**

- a) The above results have been reviewed by the Audit Committee and the same have been approved by the Board of Directors at their Meeting held on February 11, 2016
- b) During the current quarter, the Company has allotted 6,698,226 equity shares at a price of Rs.16.50 per share aggregating to Rs.1,105.21 Lacs against conversion of Foreign Currency Convertible Bonds (FCCBs).
- c) During the current quarter, the Company has allotted 16,970,618 equity shares at a price of Rs.19.74 per share aggregating to Rs. 3,350.00 Lacs to DBS Bank Limited against Share Application Money pending Allotment.
- d) The Company has approached its lenders and FCCB Holders with a proposal for comprehensive realignment of debt and right sizing of its Balance Sheet and the same is under consideration from them. The Lenders and FCCB Holders are in process of evaluating the same and the formal approvals in this regard from lenders and FCCB Holders are expected to be received by Q4 of FY 2015-16. Pending closure of the aforesaid proposals, no impact for reconversion of Foreign currency loans into Rupee denominated loans, by certain CDR Lenders, has been given in the results for the quarter ended December 31, 2015.
- e) In respect of auditors' observation on net deferred tax asset of Rs.12,592 lacs being carried forward, the management, based on the order book on hand and relying on the Debt realignment / restructuring proposal under active consideration by the lenders, is confident of achieving taxable income in foreseeable future, enabling reversals of deferred tax assets already recognized for earlier years.
- f) The disclosure in respect of standalone financials are as under -

(Rupees in Lacs)

Particulars	3 months ended (31/12/2015)	Preceding 3 months ended (30/09/2015)	Corresponding 3 months ended in the previous year (31/12/2014)	Year to Date figures for current period ended (31/12/2015)	Year to Date figures for previous period ended (31/12/2014)	Figures for Previous Year Ended (31/03/2015)
	Audited	Audited	Audited	Audited	Audited	Audited
Net Sales/Income from Operations	7,954	8,408	10,580	24,540	30,726	40,072
Profit / (Loss) Before Tax and Exceptional Items	(1,765)	(11,191)	(11,937)	(23,106)	(32,497)	(34,356)
Profit / (Loss) Before Tax After Exceptional Items	(1,765)	(11,191)	(44,916)	(23,106)	(65,476)	(1,03,418)
Profit / (Loss) After Tax and Exceptional Items	(1,765)	(11,191)	(45,118)	(23,106)	(65,678)	(1,05,775)
Profit / (Loss) After Discontinuing Operations	(1,765)	(11,191)	(45,118)	(23,106)	(65,678)	(1,05,775)

- g) The standalone financial results will be available on the NSE website [www.nseindia.com](http://www.nseindia.com) and the BSE website [www.bseindia.com](http://www.bseindia.com), in addition to the Company's website.
- h) Figures for the previous year / periods have been re-grouped / re-arranged, wherever considered necessary, to conform to current period's presentation.

Navi Mumbai  
February 11, 2016

By order of the Board  
for Infotech Limited

Mr. Madhivanan Balakrishnan  
Managing Director and Global CEO



## STANDALONE



3i Infotech Limited (CIN: CL76120MH1993PLC074411)

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Email: investors@3i-infotech.com

Website: www.3i-infotech.com

Tel: No. 022-4113 8000

## Statement of Standalone Audited Financial Results for the quarter and nine months ended December 31, 2015

(Rupees in Lacs)

Particulars	3 months ended (31/12/2015)	Preceding 3 months ended (30/09/2015)	Corresponding 3 months ended in the previous year (31/12/2014)	Year to Date figures for current period ended (31/12/2015)	Year to Date figures for previous period ended (31/12/2014)	Figures for Previous Year Ended (31/03/2015)
	Audited	Audited	Audited	Audited	Audited	Audited
1 Net Sales/Income from Operations	7,954	8,408	10,580	24,540	30,726	40,072
2 Expenses						
a Employee benefits expense	2,227	3,235	4,021	9,334	12,670	15,191
b Depreciation and amortisation expense	5,222	5,190	5,505	15,561	16,558	22,288
c Item exceeding 10% of the total expenses :						
d Cost of third party products / outsourced services & bought out items	845	1,486	1,572	3,742	5,492	6,577
e Foreign exchange loss/(gain) (net)	96	3,691	3,370	5,841	5,481	4,272
f Other expenses	1,420	1,692	2,887	4,263	7,083	6,940
Total Expenses	9,810	15,294	17,355	38,741	47,284	55,268
3 Profit (+) / Loss (-) from operations before other income, finance costs & exceptional items (1-2)	(1,856)	(6,886)	(6,775)	(14,201)	(16,558)	(15,196)
4 Other income	4,320	74	41	4,443	95	309
5 Profit (+) / Loss (-) from ordinary activities before finance costs & exceptional items (3+4)	2,464	(6,812)	(6,734)	(9,758)	(16,463)	(14,887)
6 Finance costs	4,229	4,379	5,203	13,348	16,034	19,469
7 Profit (+) / Loss (-) from ordinary activities after finance costs but before exceptional items (5-6)	(1,765)	(11,191)	(11,937)	(23,106)	(32,497)	(34,356)
8 Add / (Less) : Exceptional items	-	-	(32,979)	-	(32,979)	(69,062)
9 Profit (+) / Loss (-) from ordinary activities before tax (7-8)	(1,765)	(11,191)	(44,916)	(23,106)	(65,476)	(1,03,418)
10 Less / (Add): Tax expense	-	-	202	-	202	-
11 Tax Expense for Earlier Years	-	-	-	-	-	2,357
12 Net Profit (+)/Loss(-) from ordinary activities after tax (9-10-11)	(1,765)	(11,191)	(45,118)	(23,106)	(65,678)	(1,05,775)
13 Add / (Less) Extra ordinary items	-	-	-	-	-	-
14 Net Profit (+) / Loss (-) after taxes and extraordinary items (12-13)	(1,765)	(11,191)	(45,118)	(23,106)	(65,678)	(1,05,775)
15 Paid-up equity share capital	63,619	61,252	58,612	63,619	58,612	60,375
Face value per share (Rs)	10.00	10.00	10.00	10.00	10.00	10.00
16 Reserves excluding Revaluation Reserves (including Securities Premium)						(1,07,911)
17 Earnings Per Share (EPS)						
Earnings Per Share (before exceptional items and discontinuing operations)						
Basic (Rs.)	(0.36)	(1.91)	(2.17)	(3.82)	(5.74)	(6.39)
Diluted (Rs.)	(0.36)	(1.91)	(2.17)	(3.82)	(5.74)	(6.39)
Earnings Per Share (after exceptional items and discontinuing operations)						
Basic (Rs.)	(0.36)	(1.91)	(2.84)	(3.82)	(11.44)	(18.25)
Diluted (Rs.)	(0.36)	(1.91)	(2.84)	(3.82)	(11.44)	(18.25)

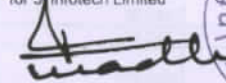


**Notes:**

- a) The above results have been reviewed by the Audit Committee and the same have been approved by the Board of Directors at their Meeting held on February 11, 2016.
- b) During the current quarter, the Company has allotted 6,698,226 equity shares at a price of Rs.16.50 per share aggregating to Rs 1,105.21 Lacs against conversion of Foreign Currency Convertible Bonds (FCCBs).
- c) During the current quarter, the Company has allotted 16,970,618 equity shares at a price of Rs 19.74 per share aggregating to Rs 3,350.00 Lacs to DBS Bank Limited against Share Application Money pending Allotment.
- d) Consequent to completion of regulatory formalities during the current quarter by UK Subsidiary in connection with declaration of dividend, dividend amounts aggregating to Rs. 3,984.19 lacs; remitted by UK Subsidiary till the previous quarter ended September 30, 2015 have been recognized as dividend income during the current quarter and the same has been included as a part of 'Other income' in the results for the quarter ended December 31, 2015.
- e) The Company has approached its lenders and FCCB Holders with a proposal for comprehensive realignment of debt and right sizing of its Balance Sheet and the same is under consideration from them. The Lenders and FCCB Holders are in process of evaluating the same and the formal approvals in this regard from lenders and FCCB Holders are expected to be received by Q4 of FY 2015-16. Pending closure of the aforesaid proposals, no impact for reconversion of Foreign currency loans into Rupee denominated loans, by certain CDR Lenders, has been given in the results for the quarter ended December 31, 2015.
- f) Other income for the current quarter ended December 31, 2015 includes net gain of Rs. 314.13 lacs; recognized on divestment of its wholly owned subsidiary, viz.3i Infotech Trusteeship Services Limited. The sale proceeds amounting to Rs. 125 lacs received in connection with the said divestment has been deposited with Bombay High Court.
- g) In respect of the auditors' observation on deferred tax asset of Rs 12,133 lacs being carried forward, the management based on the order book on hand and relying on the Debt realignment / restructuring proposal under active consideration by the lenders, is confident of achieving sufficient taxable income in foreseeable future, enabling reversals of deferred tax assets already recognized in earlier years.
- h) The above financial results will be also available on the NSE website [www.nseindia.com](http://www.nseindia.com) and the BSE website [www.bseindia.com](http://www.bseindia.com), in addition to the Company's website.
- i) Figures for the previous year / periods have been re-grouped / re-arranged, wherever considered necessary, to conform to presentation of the current period.

Navi Mumbai  
February 11, 2016

By order of the Board  
for 3i Infotech Limited



Mr. Madhivanan Balakrishnan  
Managing Director and Global CEO



**Auditors' Report on Quarterly Financial Results and Year to Date 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 of 3i Infotech Limited

1. We have audited the attached quarterly financial results of 3i Infotech Limited (the Company) for the quarter ended 31<sup>st</sup> December, 2015 and the year to date financial results for the period from 1<sup>st</sup> April, 2015 to 31<sup>st</sup> December, 2015, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, "Interim Financial Reporting" issued pursuant to the Companies specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts), Rules 2014 and accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed in financial results. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial results. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial results, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial results that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial results. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial results.





3. In our opinion and to the best of our information and according to the explanations given to us, these quarterly financial results and year to date results:
- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
  - (ii) give a true and fair view of the net loss and other financial information for the quarter ended on 31<sup>st</sup> December, 2015 as well as the year to date results for the period from 1<sup>st</sup> April, 2015 to 31<sup>st</sup> December, 2015.
4. Without qualifying, we draw attention to:

(i) **Going Concern:**

During the financial year 2011-12, the Parent Company undertook restructuring of its debts through CDR cell and also renegotiated with the Foreign Currency Convertible Bond holders with respect to its obligations. Post the debts restructuring, there have been delays in payment/non payment of Principal and Interest in respect of CDR lenders and lessors / non-CDR lenders as well as for the interest on the Foreign Currency Convertible Bonds. The Company has submitted a proposal to the aforesaid lenders (Joint Lenders Forum) for realignment/restructuring of the debt and the same is under their active consideration and the Company is reasonably certain to renegotiate and meet its financial obligations.

Accordingly, the Company has prepared the consolidated financial statements on a going concern basis which is dependent, inter alia, upon the positive outcome of negotiations with Joint lenders forum and FCCB bond holders and restructuring of business.

(ii) **Deferred Tax Assets:**

Attention is also invited to note (g) appearing in the financial results in respect of Net Deferred Tax Assets recognized in the earlier years of Rs. 12,133 lacs being carried forward in the Balance Sheet and expected to reverse in foreseeable future, on the basis of order book on hand and relying on the Restructuring / Realignment Scheme as mentioned in the above para, is confident of having sufficient taxable income in the foreseeable future enabling reversal of the said deferred tax assets.



Place: Mumbai.  
Date: February 11, 2016

**For LODHA & CO.**  
Firm Registration No: 301051E  
Chartered Accountants

**R. P. Baradiya**  
Partner  
Membership No. 44101

**Auditors' Report on Quarterly Consolidated Financial Results and year to date 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 of 3i Infotech Limited

1. We have audited the attached quarterly consolidated financial results of 3i Infotech Limited for the quarter ended 31<sup>st</sup> December, 2015 and year to date consolidated financial results for the period from 1<sup>st</sup> April, 2015 to 31<sup>st</sup> December, 2015 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These consolidated quarterly financial results as well as year to date consolidated financial results have been prepared from consolidated interim financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards (AS) 25, "Interim Financial Reporting" specified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the consolidated financial results. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial results. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial results, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial results that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting



policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated financial results. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial results.

3. (i) We did not audit the financial statement of a joint venture, whose financial statements reflect total assets of Rs. 128.32 lacs as at 31<sup>st</sup> December, 2015 and total revenues of Rs. NIL and Rs. NIL for the quarter and period ended 31<sup>st</sup> December, 2015, respectively. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the joint venture is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/financial information are not material to the Group.
- (ii) The financial statements of 5 subsidiaries in UK and a step down subsidiary in USA have not been consolidated for the quarter ended 31<sup>st</sup> December, 2015. As explained by the Management, the financial statements of these subsidiaries are presently under preparation.
4. In our opinion and to the best of our information and according to the explanations given to us these consolidated quarterly financial results as well as the consolidated year to date results:
- (i) include the quarterly financial results and year to date of the entities as given in Annexure;
- (ii) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (iii) give a true and fair view of the consolidated net loss and other financial information for the quarter ended on 31<sup>st</sup> December, 2015 as well as year to date results for the period from 1<sup>st</sup> April, 2015 to 31<sup>st</sup> December, 2015.



5. Without qualifying, we draw attention to :-

(i) **Going Concern:**

During the financial year 2011-12, the Parent Company undertook restructuring of its debts through CDR cell and also renegotiated with the Foreign Currency Convertible Bond holders with respect to its obligations. Post the debts restructuring, there have been delays in payment/non payment of Principal and Interest in respect of CDR and lessors / non-CDR lenders as well as for the interest on the Foreign Currency Convertible Bonds. The Company has submitted a proposal to the aforesaid lenders (Joint Lenders Forum) for realignment/restructuring of the debt and the same is under their active consideration and the Company is reasonably certain to renegotiate and meet its financial obligations.

Accordingly, the Company has prepared the consolidated financial statements on a going concern basis which is dependent, inter alia, upon the positive outcome of negotiations with Joint lenders forum and FCCB bond holders and restructuring of business.

(ii) **Deferred Tax Assets:**

Attention is also invited to note (e) appearing in the consolidated financial results in respect of Net Deferred Tax Assets recognized in the earlier years of Rs.12,592 lacs being carried forward in the Balance Sheet and expected to reverse in foreseeable future, on the basis of order book on hand and relying on the Restructuring/ Realignment Scheme as mentioned in the above para, is confident of having sufficient taxable income in the foreseeable future enabling reversal of the said deferred tax assets.



Place: Mumbai  
Date: February 11, 2016

**For LODHA & CO.**  
Firm Registration No: 301051E  
Chartered Accountants

A handwritten signature in black ink, appearing to read "R. P. Baradiya".

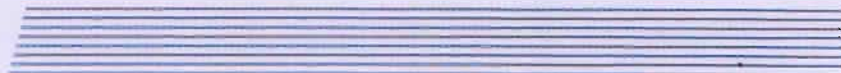
**R. P. Baradiya**  
Partner  
Membership No. 44101

**3i Infotech Limited**

Annexure to Clause 41 Consolidated Audit Report for the quarter ended December 31, 2015:

Sr. No.	Subsidiaries audited by us:
1	3i Infotech Asia Pacific Pte. Ltd., Singapore
2	3i Infotech SDN BHD, Malaysia
3	3i Infotech Services SDN BHD, Malaysia
4	3i Infotech (Thailand) Ltd., Thailand
5	3i Infotech Saudi Arabia LLC, Saudi Arabia
6	3i Infotech (Middle East) FZ LLC, UAE
7	3i Infotech (Africa) Ltd., Kenya
8	3i Infotech Trusteeship Services Ltd. , India (upto 15 <sup>th</sup> October, 2015)
9	3i Infotech Consultancy Services Ltd., India
10	3i Infotech BPO Limited, India
11	3i Infotech Holdings Private Ltd., Mauritius
12	IFRS Cloud Solutions Limited (Formerly known as 3i Infotech Outsourcing Services Limited), India
13	Professional Access Software Development Pvt. Ltd., India
14	3i Infotech Inc., USA
15	3i Infotech Financial Software Inc., USA
16	Locuz Enterprises Solutions Ltd., India
17	Elegon Infotech Ltd., China
18	Black Barret Holdings Ltd., Cyprus
19	3i Infotech (South Africa)(Pty) Limited, Republic of South Africa
	<b>Unaudited Joint venture:</b>
1	Process Central Limited, Nigeria- Joint Venture





**3i Infotech's revenue at INR 286.39 crores and  
EBIDTA at INR 39.36 crores for Q3 FY2016**

**Mumbai – February 11, 2016** - 3i Infotech Limited, a global provider of IT solutions and one of India's mid-tier software product companies, today announced its operating results for the third quarter ended December 31, 2015.

**FINANCIAL HIGHLIGHTS**

- Operating profit of Q3 2016 is INR 39.36 crores vis-a-vis INR 39.88 crores QoQ and INR 44.56 crores YoY.
- Loss at a consolidated level stood at INR 78.57 crores vis-à-vis loss of INR 92.31 crores QoQ and loss of INR 299.59 crores YoY.

**Consolidated results for the quarter ended December 31, 2015**

- Revenue from operations for the quarter is INR 286.39 crores as against INR 292.85 crores in the immediately preceding quarter and INR 319.63 crores for the corresponding period of the previous year. However, the revenue for corresponding quarter of the previous year includes revenue of one of the Company's subsidiaries, which was divested during Q3 of FY 2015. Excluding the performance of the divested subsidiary, the revenue for Q3-FY2015 stands at INR 291.76 crores.
- EBIDTA from operations is INR 39.36 crores as compared to INR 39.88 crores in the immediately preceding quarter and INR 44.56 crores in the corresponding quarter of the previous year. Excluding the performance of the divested subsidiary, the operating EBIDTA for Q3-FY2015 stands at INR 43.32 crores.

**PRESS RELEASE**



			INR Crores
	Q3-FY2016	Q2-FY2016	Q3-FY2015
<b>Net sales / Income from operations</b>	<b>286.39</b>	<b>292.85</b>	<b>319.63</b>
Employee benefit expenses	159.93	161.67	175.53
Cost of third party products / outsourced services	57.67	56.12	59.96
Other Expenses	29.43	35.18	39.58
<b>EBIDTA from Operations</b>	<b>39.36</b>	<b>39.88</b>	<b>44.56</b>
Foreign Exchange Loss / (Gain)	12.94	25.32	20.43
Other Income	0.64	1.67	1.38
<b>Profit before Interest, Depreciation and Tax</b>	<b>27.06</b>	<b>16.23</b>	<b>25.51</b>

*The revenue for Q3-FY2015 includes revenue of one of the Company's subsidiaries, which was divested during Q3 of FY 2015.*

- Loss after tax for the quarter stands at INR 78.57 crores, after Interest INR 46.70 crores, Depreciation INR 50.60 crores and Tax INR 8.84 crores. This is against a loss of INR 92.31 crores QoQ and INR 299.59 crores YoY.

#### Consolidated results for the nine months ended December 31, 2015

- Revenue from operations for the nine months is INR 853.84 crores as against INR 1,038.69 crores for the corresponding period of the previous year. The revenue for 9M-FY2015 includes revenue of two of the Company's subsidiaries, which were divested during Q2 and Q3 of FY 2015. Excluding the performance of the divested subsidiaries, the revenue for 9M-FY2015 stands at INR 861.88 crores.
- EBIDTA from operations is INR 109.65 crores as compared to INR 112.94 crores in the corresponding period of the previous year. Excluding the performance of the divested subsidiaries, the operating EBIDTA for 9M-FY2015 stands at INR 92.30 crores.

		INR Crores
	9M-FY2016	9M-FY2015
<b>Net sales / Income from operations</b>	<b>853.84</b>	<b>1,038.69</b>
Employee benefit expenses	484.16	577.05
Cost of third party products / outsourced services	162.41	206.80
Other Expenses	97.62	141.90
<b>EBIDTA from Operations</b>	<b>109.65</b>	<b>112.94</b>
Foreign Exchange Loss / (Gain)	46.20	28.36
Other Income	3.33	4.31
<b>Profit before Interest, Depreciation and Tax</b>	<b>66.78</b>	<b>88.89</b>

*The revenue for 9M-FY2015 includes revenue of two of the Company's subsidiaries, which were divested during Q2 and Q3 of FY 2015.*






- Loss after tax for the nine months stands at INR 244.92 crores, after Interest INR 142.47 crores, Depreciation INR 149.66 crores and Tax INR 21.65 crores. This is against a loss of INR 580.19 crores in the corresponding period of the previous year.

The Company has submitted a Debt Realignment Scheme (DRS) proposal to its Lenders which is under active consideration by the Company's Lenders. The Company is hopeful of receiving the requisite support of its Lenders to the DRS proposal and implementing the same during Q4-FY2016. The Company is also in the process of finalizing an Offering Circular to be submitted to its FCCB Holders for restructuring its FCCBs on the lines of the discussions during the Company's Board Meeting held on December 7, 2015.

#### **About 3i Infotech**

Incorporated in 1993, 3i Infotech ([www.3i-infotech.com](http://www.3i-infotech.com)) is a public global Information Technology company committed to Empowering Business Transformation. A comprehensive set of IP based software solutions (20+), coupled with a wide range of IT services, uniquely positions the company to address the dynamic requirements of a variety of industry verticals, predominantly Banking, Insurance, Capital Markets, Asset & Wealth Management (BFSI). Furthermore it offers solutions to the government, manufacturing, retail, distribution, telecom and healthcare sectors. Among its repertoire of IPR based solutions the flagship products of the Company are Premia, MFund, Orion, Kastle ULS and Amlock.

The Company has a very strong foothold and customer base in geographies like South Asia, Middle East and Africa, Asia Pacific, Kingdom of Saudi Arabia and North America.

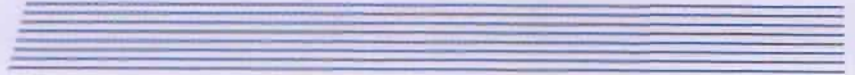
The Company is also focused on value added services such as business intelligence & analytics services, infrastructure management services, testing & compliance, application development & maintenance, consulting and its BPO offerings.

The Company, headquartered in Mumbai, India has over 8500 employees in more than 20 offices across 12 countries and over 1000 customers in more than 50 countries across 5 continents.

**PRESS RELEASE**







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**Disclaimer:**

Except for the historical information contained herein, statements in this release, which contain words or phrases such as "will", "would", "expect", "believe", and similar expressions or variations of such expressions may constitute "forward-looking statements". These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of our principal international markets, the performance of the industry sectors in which our clients are based, the performance of the information technology industry sector worldwide, competition, our ability to obtain statutory and regulatory approvals and to successfully implement our strategy, future levels of our growth and expansion in business, technological implementation, changes, advancements, and redundancies, the actual demand for software products and services, or the future potential or feasibility thereof, changes in revenue, income or cash flows, our market preferences and our exposure to market risks, as well as other risks. 3i Infotech undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.



PRESS RELEASE

