**R.G.N. Price & Co.**
Simpsons' Buildings
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Chennai – 600 002.
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**Auditors' Report on Quarterly Financial Results and Year to Date Financial Results of 3i Infotech Limited Pursuant to the Clause 41 of the Listing Agreement**

To
**The Board of Directors of 3i Infotech Limited**

1. We have audited the quarterly financial results of 3i Infotech Limited for the quarter ended September 30, 2013, attached herewith, being submitted by the Company pursuant to the requirement of clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. These quarterly 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 Standards, issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per section 211 (3C) of the Companies Act, 1956 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 financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

3. Without qualifying, we draw attention to :-

   a) Note no. b and c of accompanying financial results regarding the proposed Re-organisation scheme under section 391 of the Act and justification of carrying deferred tax asset of Rs.10,366 lacs.

   b) Going Concern and Impairment analysis:

      During the financial year 2011-12, the Company undertook to restructuring of its debts through CDR cell and also renegotiated with the FCCB holders with respect to its obligations. Post the debts restructuring, the Company is confident of successful implementation of the CDR package and is also confident of meeting its FCCB obligations. Therefore, financial statements have been prepared on a going concern basis.

      The Company, as per its Accounting Policy and in accordance with the requirements of the Accounting Standard (AS) 28 – Impairment of Assets and Accounting Standard (AS) - 13 Accounting for Investments, prescribed under Companies (Accounting Standard) Rules 2006, had carried out an impairment analysis of its Cash Generating Units / Long term Investments, in order to ascertain the extent of impairment, if any, in their carrying values in March, 2013.

R.G.N. PRICE & CO. Chartered Accountants

LODHA & CO. MUMBAI-23 Chartered Accountants

The valuation analysis was carried out by an independent expert valuer, has been relied upon by the auditors being a technical matter, to assess the values generated by the CGUs / Long Term Investments on a going concern basis and such valuation exercise did not reveal any impairment.

4. In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results:

   (i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and;

   (ii) give a true and fair view of the net loss and other financial information for the quarter ended 30th September, 2013.

5. Further, we also report that we have on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholding in respect of aggregate amount of public shareholding, as furnished by the Company in terms of clause 35 of the Listing Agreement and found the same to be correct.

**For R.G.N. Price & CO.**
Firm Registration No: 002785S
Chartered Accountants

**Mahesh Krishnan**
Partner
Membership No. 206520
Place: Mumbai.
Date: November 1, 2013

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

**R. P. Baradiya**
Partner
Membership No. 44101
Place: Mumbai.
Date: November 1, 2013