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Auditors' Report on Quarterly Consolidated 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 consolidated financial results of 3i Infotech Limited for the quarter ended June 30, 2014 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 consolidated quarterly 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, issued pursuant to the Companies (Accounting Standards) Rules, 2006 which continue to apply under section 133 of the Companies Act 2013 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.
 - a) The financial statements of 2 subsidiaries, whose interim financial statements reflect total assets of Rs.29,436 lacs as at 30th June, 2014 and total revenue of Rs.7,730 lacs for the quarter ended 30th June, 2014 respectively, have been jointly audited with other auditors.
 - b) We have not audited the financial statements of 3 subsidiaries included in the consolidated quarterly financial results, whose interim financial statements reflect total assets of Rs. 137,765 lacs as at 30th June, 2014, total revenue of Rs. 12,489 lacs for the quarter ended 30th June, 2014. These interim financial statements and other financial information have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the report of such other auditors.
4. Without qualifying, we draw attention to :-
 - a) Going Concern and Impairment analysis:

During the financial year 2011-12, the Parent 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 and as explained, the Parent Company is confident of successful implementation of the CDR package and meeting its FCCB obligations. The consolidated financial statements, therefore, have been prepared on a going concern basis.

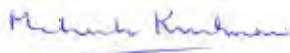


The Parent Company, as per its Accounting Policy and in accordance with the requirements of the Accounting Standard (AS) 28 – Impairment of Assets and Accounting Standard (AS) -13 Accounting for Investments, prescribed under Companies Accounting Standard Rules 2006, has carried out an impairment analysis on annually of its Cash Generating Units / Long term Investments on a going concern basis, in order to ascertain the extent of impairment, if any, and accordingly, the Parent Company had carried out Impairment Analysis for their carrying values in March,2014 with the assistance of an Independent expert valuer which revealed no impairment which is relied upon by the auditors being a technical matter.

- b) note no 'd' of accompanying consolidated financial results regarding the justification of carrying deferred tax asset of Rs.12,389 lacs being carried forward, the management based on the confirmed order book on hand and relying on the restructuring scheme approved by the CDR cell, is confident of having sufficient taxable income in foreseeable future, which would enable reversal of the said deferred tax assets.
5. In our opinion and to the best of our information and according to the explanations given to us these consolidated quarterly financial results:
- (i) include the quarterly financial results of the entities as given in Annexure;
 - (ii) have been presented in accordance with the requirements of clause 41 of the Listing Agreement 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 30th June, 2014.
6. 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 consolidated number of shares as well as percentage of shareholding in respect of aggregate amount of consolidated 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: July 25, 2014



For LODHA & CO.

Firm Registration No: 301051E
Chartered Accountants



R.P. Baradiya
Partner
Membership No. 44101
Place: Mumbai.
Date: July 25, 2014



3i Infotech Limited

Annexure to Clause 41 Consolidated Audit Report for the quarter ended June 30, 2014:

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 (UK) Ltd , UK
5	3i Infotech (Western Europe) Holdings Ltd , UK
6	3i Infotech (Western Europe) Group Ltd , UK
7	Rhyme Systems Ltd , UK
8	3i Infotech Western Europe Ltd , UK
9	3i Infotech Flagship Ltd., UK
10	3i Infotech Framework Ltd., UK
11	3i Infotech (Thailand) Ltd., Thailand
12	3i Infotech Saudi Arabia LLC, Saudi Arabia
13	3i Infotech (Middle East) FZ LLC, UAE
14	3i Infotech (Africa) Ltd., Kenya
15	3i Infotech Trusteeship Services Ltd. , India
16	3i Infotech Consultancy Services Ltd., India
17	3i Infotech BPO Limited
18	3i Infotech Holdings Private Ltd., Mauritius
19	Elegon Infotech Ltd., China
20	Black Barret Holdings Ltd., Cyprus
21	3i Infotech Outsourcing Services Limited, India
22	3i Infotech (South Africa)(Pty) Limited, Subsidiary- Republic of South Africa(w.e.f. 28 th November, 2013)
23	Process Central Limited, Nigeria- Joint Venture
	Subsidiaries jointly Audited with other Auditors :
1	Professional Access Ltd., USA
2	Professional Access Software Development Pvt. Ltd., India
	Subsidiaries audited by other Auditors:
1	3i Infotech Inc., USA
2	3i Infotech Financial Software Inc., USA
3	Locuz Enterprises Solutions Ltd., India



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