3i Infotech®
Innovation • Insight • Integrity

November 11, 2014

The Manager,
NSE Limited,
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East) - 400051

Dear Sir,

NSE Symbol-3IINFOTECH

Sub: Outcome of Board Meeting

This is to inform you that the Board of Directors ("the Board") of the Company, at its Meeting held on November 11, 2014, has approved the Audited Financial Results of the Company for the quarter and half year ended September 30, 2014. Please find enclosed herewith the copy of audited Financial Results for the quarter and half year ended September 30, 2014 and Auditors certificate as per the prescribed format pursuant to Clause 41 of the listing agreement.

We would further like to inform that the Audit Committee and the Board have approved the appointment of Mr. Padmanabhan Iyer as "Chief Financial Officer" (CFO) with immediate effect. Mr. Padmanabhan Iyer would take over the responsibility from Mr. Charanjit Attra, Executive Director and Chief Financial Officer. Mr. Charanjit Attra will continue to be Executive Director overseeing finance function and will take on the additional role of developing and strategizing new business initiatives.

Kindly take the above on record and acknowledge receipt.

Thanking you,

Yours faithfully,

For **3i Infotech Limited**

N. P. K.

Ninad Kelkar
Company Secretary

3i Infotech Limited
(CIN : L67120MH1993PLC074411)
Tower #5, 3rd to 6th Floor
International Infotech Park
Vashi, Navi Mumbai 400 703, India.
Tel. : (+91 - 22) 6792 8000
Fax : (+91 - 44) 6792 8095
www.3i-infotech.com

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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.:022-6798 8000

Part I : Statement of Consolidated Audited Financial Results for the Quarter and Six Months ended 30/09/2014

(Rupees in Lacs)

	Particulars	3 months ended (30/09/2014) Audited	Preceding 3 months ended (30/06/2014) Audited	Corresponding 3 months ended in the previous year (30/09/2013) Audited	Year to Date figures for current period ended (30/09/2014) Audited	Year to Date figures for previous period ended (30/09/2013) Audited	Figures for Previous Year Ended 31/03/2014 Audited
1	**Net Sales/Income from Operations**	**35,547**	**36,358**	**32,856**	**71,905**	**62,908**	**130,789**
2	**Expenses**						
	a. Employee benefits expense	19,131	21,022	20,857	40,153	40,468	84,144
	b. Depreciation and amortisation expense	5,279	6,471	5,728	11,750	11,541	25,642
	c. Item exceeding 10% of the total expenses :						
	Cost of third party products / outsourced services & bought out items	7,419	7,265	3,745	14,684	7,574	18,718
	d. Other expenses	5,604	5,419	5,159	11,024	10,061	18,809
	Total Expenses	**37,433**	**40,177**	**35,489**	**77,611**	**69,644**	**147,313**
3	**Profit (+)/ Loss (-) from operations before other income, finance costs and exceptional items (1-2)**	**(1,886)**	**(3,819)**	**(2,633)**	**(5,706)**	**(6,736)**	**(16,524)**
4	Other Income	158	135	2,198	293	6,145	13,061
5	**Profit (+)/ Loss (-) from ordinary activities before finance costs and exceptional items (3+4)**	**(1,728)**	**(3,684)**	**(435)**	**(5,413)**	**(591)**	**(3,463)**
6	Finance costs	5,289	6,053	7,994	11,342	15,817	32,110
7	**Profit (+) / Loss (-) from ordinary activities after finance costs but before exceptional items (5-6)**	**(7,017)**	**(9,737)**	**(8,429)**	**(16,755)**	**(16,408)**	**(35,573)**
8	(Less) : Exceptional Items	9,609	-	-	9,609	-	-
9	**Profit (+)/ Loss (-) from ordinary activities before tax (7-8)**	**(16,626)**	**(9,737)**	**(8,429)**	**(26,364)**	**(16,408)**	**(35,573)**
10	Less / (Add): Tax expense	1,133	509	1,110	1,642	1,457	133
11	**Net Profit (+)/Loss(-) from ordinary activities after tax (9-10)**	**(17,759)**	**(10,246)**	**(9,539)**	**(28,006)**	**(17,865)**	**(35,706)**
12	Add / (Less) : Impact of Discontinuing Operations	-	-	-	-	-	-
13	(Less)/Add: Minority Interest	(28)	(26)	(57)	(54)	(12)	50
14	**Net Profit (+) / Loss (-) after taxes, minority interest and discontinuing operations (11-12-13+14)**	**(17,787)**	**(10,272)**	**(9,596)**	**(28,060)**	**(17,877)**	**(35,756)**
15	Paid-up equity share capital	58,068	57,634	57,194	58,068	57,194	57,264
	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)						(4,191)
17	Earnings Per Share (EPS)						
	Earnings Per Share (before exceptional Items and discontinuing operations)						
	Basic (Rs.)	(1.49)	(1.88)	(1.76)	(3.28)	(3.21)	(6.33)
	Diluted (Rs.)	(1.49)	(1.88)	(1.76)	(3.28)	(3.21)	(6.33)
	Earnings Per Share (after exceptional Items and discontinuing operations)						
	Basic (Rs.)	(3.15)	(1.88)	(1.76)	(4.95)	(3.21)	(6.33)
	Diluted (Rs.)	(3.15)	(1.88)	(1.76)	(4.95)	(3.21)	(6.33)

LODHA & CO. MUMBAI-01 Chartered Accountants

3i Infotech Ltd.

3i Infotech
innovation • insight • integrity

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.:022-6798 8000

Part II : Select information for the Quarter and Six Months ended September 30, 2014

	Particulars	3 months ended (30/09/2014) Audited	Preceding 3 months ended (30/06/2014) Audited	Corresponding 3 months ended in the previous year (30/09/2013) Audited	Year to Date figures for current period ended (30/09/2014) Audited	Year to Date figures for previous period ended (30/09/2013) Audited	Figures for Previous Year Ended 31/03/2014 Audited
A	**PARTICULARS OF SHAREHOLDING**						
1	**Public Shareholding**						
	Number of shares	541,639,290	537,302,064	532,903,274	541,639,290	532,903,274	533,608,188
	Percentage of shareholding	93.27%	93.22%	93.17%	93.27%	93.17%	93.18%
2	**Promoters and promoter group shareholding**						
	a) Pledged/Encumbered						
	- Number of shares	-	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
	b) Non-encumbered						
	- Number of shares	39,036,190	39,036,190	39,036,190	39,036,190	39,036,190	39,036,190
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of shares (as a % of the total share capital of the company)	6.73%	6.78%	6.83%	6.83%	6.83%	6.82%
B	**INVESTOR COMPLAINTS**						
	For the 3 months ended September 30, 2014:						
	Pending at the beginning of the quarter	NIL					
	Received during the quarter	1					
	Disposed off during the quarter	1					
	Remaining unresolved at the end of the quarter	NIL					

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Consolidated Statement of Assets and Liabilities as at 30/09/2014

	Particulars	As at 30/09/2014 Audited	As at 31/03/2014 Audited
		(Rupees in Lacs)	
A	**EQUITY AND LIABILITIES**		
1	**Shareholders' funds**	64,568	63,764
a.	Share capital	(39,961)	(4,191)
b.	Reserves and surplus	**24,607**	**59,573**
2	**Minority interest**	656	602
3	**Non-current liabilities**	194,016	205,889
a.	Long-term borrowings	37	92
b.	Deferred tax liabilities (net)	2,823	1,483
c.	Other long term liabilities	**196,876**	**207,464**
4	**Current liabilities**	22,407	28,577
a.	Short-term borrowings	20,848	18,468
b.	Trade payables	70,139	64,046
c.	Other current liabilities	2,480	2,782
d.	Short-term provisions	**115,874**	**113,873**
	TOTAL EQUITY AND LIABILITIES	**338,013**	**381,512**
B	**ASSETS**		
1	**Non-current assets**		
a.	Fixed assets	17,486	25,255
(i)	Tangible assets	102,185	106,091
(ii)	Intangible assets	29	76
(iv)	Capital work in progress	2,261	1,474
(iii)	Intangible assets under development	137,779	163,260
b.	Goodwill on consolidation	2,516	2,516
c.	Non-current investments	12,529	12,384
d.	Deferred tax assets (net)	19,072	18,856
e.	Long-term loans and advances	2,138	2,558
f.	Other non-current assets	**295,995**	**332,470**
2	**Current assets**	161	136
a.	Inventories	19,193	20,985
b.	Trade receivables	2,501	6,122
c.	Cash and cash equivalents	9,643	8,513
d.	Short-term loans and advances	10,520	13,286
e.	Other current assets	**42,018**	**49,042**
	TOTAL ASSETS	**338,013**	**381,512**

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Consolidated Segment Reporting for the quarter and six months ended September 30, 2014

(Rupees in Lacs)

	Particulars	3 months ended (30/09/2014) Audited	Preceding 3 months ended (30/06/2014) Audited	Corresponding 3 months ended in the previous year (30/09/2013) Audited	Year to Date figures for current period ended (30/09/2014) Audited	Year to Date figures for previous period ended (30/09/2013) Audited	Figures for Previous Year Ended 31/03/2014 Audited
1	**Segment Revenue**						
a	IT Solutions	33,978	34,668	30,990	68,646	58,857	123,066
b	Transaction Services	1,569	1,690	1,866	3,259	4,051	7,723
	Total Net sales/Income From Operations (a+b)	**35,547**	**36,358**	**32,856**	**71,905**	**62,908**	**130,789**
2	**Segment Results (Gross Profit)**						
a	IT Solutions	8,418	9,642	7,127	18,060	13,486	28,120
b	Transaction Services	377	213	160	590	398	1,277
	Total	**8,795**	**9,855**	**7,287**	**18,650**	**13,884**	**29,397**
Less:	Selling and Other expenses	5,402	7,203	4,192	12,605	9,080	20,280
	Finance costs	5,289	6,053	7,994	11,342	15,817	32,110
	Depreciation & Amortisation	5,279	6,471	5,728	11,750	11,541	25,642
Add:	Un-allocable income	158	135	2,198	293	6,145	13,061
	Total Profit (+) / Loss (-) Before Tax	**(7,017)**	**(9,737)**	**(8,429)**	**(16,754)**	**(16,408)**	**(35,573)**

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.

LODHA & CO. MUMBAI-01 Chartered Accountants

3i Infotech Ltd

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 November 11, 2014.

b) On July 23, 2014, 3i Infotech Limited allotted 43,37,226 Equity shares at a price of Rs.16.50/- per share aggregating to Rs.715.64 Lacs against conversion of Foreign Currency Convertible Bonds (FCCBs).

c) In respect of auditors' observation on net deferred tax asset of Rs.12,529 lacs being carried forward, the management, based on the order book on hand and relying on the Restructuring Scheme approved by the CDR Cell, is confident of achieving sufficient taxable income in foreseeable future, which would enable reversals of deferred tax assets already recognized for earlier years.

d) During the current quarter, the Group had sold its e-Commerce business, consisting of the entity Professional Access Limited, US and the business undertaking of Professional Access Software Development Private Limited,India. The said transaction has resulted in profit of Rs. 9,705 lacs . Consequent to the sale of the business, Goodwill arising on Consolidation amounting to Rs. 26,227 lacs and credit pertaining to the said Goodwill in translation reserve amounting to Rs 6,913 lacs has been adjusted against the aforesaid profit, resulting in loss of Rs. 9,609 lacs, which has been shown separately as Exceptional item.

(Rupees in Lacs)

e) (i) The disclosure in respect of standalone financials are as under -

Particulars	3 months ended (30/09/2014)	Preceding 3 months ended (30/06/2014)	Corresponding 3 months ended in the previous year (30/09/2013)	Year to Date figures for current period ended (30/09/2014)	Year to Date figures for previous period ended (30/09/2013)	Figures for Previous Year Ended 31/03/2014
	Audited	Audited	Audited	Audited	Audited	Audited
Net Sales/Income from Operations	10,829	9,317	7,826	20,146	15,648	32,650
Profit / (Loss) Before Tax and Exceptional Items	(10,040)	(10,521)	(9,598)	(20,561)	(17,792)	(41,792)
Profit / (Loss) Before Tax After Exceptional Items	(10,040)	(10,521)	(9,598)	(20,561)	(17,792)	(45,377)
Profit / (Loss) After Tax and Exceptional Items	(10,040)	(10,521)	(9,748)	(20,561)	(17,942)	(44,022)
Profit / (Loss) After Discontinuing Operations	(10,040)	(10,521)	(9,748)	(20,561)	(17,942)	(44,022)

(ii) The standalone financial results will be available on the NSE website www.nseindia.com and the BSE website www.bseindia.com, in addition to the Company's website.

e) Figures for the previous year / periods have been re-grouped / re-arranged, wherever considered necessary, to conform to current period's presentation.

LODHA & CO. MUMBAI-01 Chartered Accountants

By order of the Board
for 3i Infotech Limited

3i Infotech Ltd.

Charanjit Attra
Executive Director & Global Chief Financial Officer

Navi Mumbai
November 11, 2014

STANDALONE

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Email: investors@3i-infotech.com Website: www.3i-infotech.com Tel No.:022-6798 8000

Part I : Statement of Standalone Audited Financial Results for the quarter & six months ended September 30, 2014

(Rupees in Lacs)

	Particulars	3 months ended (30/09/2014) Audited	Preceding 3 months ended (30/06/2014) Audited	Corresponding 3 months ended in the previous year (30/09/2013) Audited	Year to Date figures for current period ended (30/09/2014) Audited	Year to Date figures for previous period ended (30/09/2013) Audited	Figures for Previous Year Ended 31/03/2014 Audited
1	**Net Sales/Income from Operations**	10,829	9,317	7,826	20,146	15,648	32,650
2	**Expenses**						
	a. Employee benefits expense	4,254	4,390	3,863	8,644	7,945	16,480
	b. Depreciation and amortisation expense	5,249	5,804	5,544	11,053	11,195	23,633
	c. Item exceeding 10% of the total expenses :						
	Cost of third party products / outsourced services & bought out items	1,689	2,236	796	3,925	2,112	4,683
	d. Other expenses	4,485	1,918	1,951	6,403	3,500	6,506
	Total Expenses	**15,677**	**14,348**	**12,154**	**30,025**	**24,752**	**51,302**
3	**Profit (+) / Loss (-) from operations before other income, finance costs & exceptional items (1-2)**	(4,848)	(5,031)	(4,328)	(9,879)	(9,104)	(18,652)
4	Other Income	10	139	2,186	149	6,148	6,882
5	**Profit (+) / Loss (-) from ordinary activities before finance costs & exceptional items (3+4)**	(4,838)	(4,892)	(2,142)	(9,730)	(2,956)	(11,770)
6	Finance costs	5,202	5,629	7,456	10,831	14,836	30,022
7	**Profit (+) / Loss (-) from ordinary activities after finance costs but before exceptional items (5-6)**	(10,040)	(10,521)	(9,598)	(20,561)	(17,792)	(41,792)
8	Add /(Less) : Exceptional Items	-	-	-	-	-	(3,585)
9	**Profit (+)/ Loss (-) from ordinary activities before tax (7-8)**	(10,040)	(10,521)	(9,598)	(20,561)	(17,792)	(45,377)
10	Less / (Add): Tax expense	-	-	-	-	-	(1,355)
	Tax Expense for Earlier Years			150	-	150	
11	**Net Profit (+)/Loss(-) from ordinary activities after tax (9-10)**	(10,040)	(10,521)	(9,748)	(20,561)	(17,942)	(44,022)
12	(Less) : Impact of Discontinuing Operations	-	-	-	-	-	-
13	**Net Profit (+)/Loss(-) from ordinary activities after tax and after discontinuing operations(11-12)**	(10,040)	(10,521)	(9,748)	(20,561)	(17,942)	(44,022)
14	Paid-up equity share capital	58,068	57,634	57,194	58,068	57,194	57,264
15	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)						(4,034)
17	Earnings Per Share (EPS)						
	Earnings Per Share (before exceptional Items and discontinuing operations)						
	Basic (Rs.)	(1.82)	(1.92)	(1.79)	(3.65)	(3.22)	(7.15)
	Diluted (Rs.)	(1.82)	(1.92)	(1.79)	(3.65)	(3.22)	(7.15)
	Earnings Per Share (after exceptional Items and discontinuing operations)						
	Basic (Rs.)	(1.82)	(1.92)	(1.79)	(3.65)	(3.22)	(7.78)
	Diluted (Rs.)	(1.82)	(1.92)	(1.79)	(3.65)	(3.22)	(7.78)

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Website: www.3i-infotech.com
Email: investors@3i-infotech.com
Tel No.:022-6798 8000

Part II : Select information for the quarter and six months ended 30/09/2014

(Rupees in Lacs)

	Particulars	3 months ended (30/09/2014) Audited	Preceding 3 months ended (30/06/2014) Audited	Corresponding 3 months ended in the previous year (30/09/2013) Audited	Year to Date figures for current period ended (30/09/2014) Audited	Year to Date figures for previous period ended (30/09/2013) Audited	Figures for Previous Year Ended 31/03/2014 Audited
A	**PARTICULARS OF SHAREHOLDING**						
1	**Public Shareholding**						
	Number of shares	541,639,290	537,302,064	532,903,274	541,639,290	532,903,274	533,608,188
	Percentage of shareholding	93.27%	93.22%	93.17%	93.27%	93.17%	93.18%
2	**Promoters and promoter group Shareholding**						
	a) Pledged/Encumbered						
	- Number of shares	-	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
	b) Non-encumbered						
	- Number of shares	39,036,190	39,036,190	39,036,190	39,036,190	39,036,190	39,036,190
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of shares (as a % of the total share capital of the company)	6.73%	6.78%	6.83%	6.83%	6.83%	6.82%
B	**INVESTOR COMPLAINTS**						
	For the 3 months ended September 30, 2014:						
	Pending at the beginning of the quarter	NIL					
	Received during the quarter	1					
	Disposed off during the quarter	1					
	Remaining unresolved at the end of the quarter	NIL					

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Email: investors@3i-infotech.com Website: www.3i-infotech.com Tel No.:022-6798 8000

Standalone Statement of Assets and Liabilities

	Particulars	As at 30/09/2014 Audited	As at 31/03/2014 Audited
		(Rupees in Lacs)	
A	**EQUITY AND LIABILITIES**		
1	**Shareholders' funds**		
a.	Share capital	64,568	63,764
b.	Reserves and surplus	(24,150)	(4,034)
		40,418	**59,730**
2	**Non-current liabilities**		
a.	Long-term borrowings	206,558	206,293
b.	Other long term liabilities	104,421	100,231
		310,979	**306,524**
3	**Current liabilities**		
a.	Short-term borrowings	14,268	18,519
b.	Trade payables	15,107	13,851
c.	Other current liabilities	56,691	48,213
d.	Short-term provisions	2,132	2,061
		88,198	**82,644**
	TOTAL EQUITY AND LIABILITIES	**439,595**	**448,898**
B	**ASSETS**		
1	**Non-current assets**		
a.	Fixed assets	16,392	21,769
(i)	Tangible assets	116,608	120,879
(ii)	Intangible assets	-	-
(iii)	Intangible assets under development	153,388	153,388
b.	Non-current investments	12,133	12,133
c.	Deferred tax assets	72,428	70,321
d.	Long-term loans and advances	646	638
e.	Other non-current assets	**371,595**	**379,128**
2	**Current assets**		
a.	Trade receivables	59,822	60,996
b.	Cash and bank balances	399	1,650
c.	Short-term loans and advances	3,787	4,167
d.	Other current assets	3,992	2,957
		68,000	**69,770**
	TOTAL ASSETS	**439,595**	**448,898**

LODHA & CO. MUMBAI-01 Chartered Accountants

3i Infotech Ltd.

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 November 11, 2014.

b) On July 23, 2014, 3i Infotech Limited allotted 43,37,226 Equity shares at a price of Rs. 16.50/- per share aggregating to `Rs.715.64 Lacs against conversion of Foreign Currency Convertible Bonds (FCCBs).

c) During the quarter, the Company has sold its e-Commerce business, the investment in which was held through its 100% subsidiary in Mauritius. Subsequent to the sale, the residual investments of the Mauritius subsidiary being in the nature of long term investments are carried at cost. The Company perceives no diminution in the value of these investments as on the balance sheet date based on future business projections of the entities in which the investments are held.

d) In respect of auditors' observation on net deferred tax asset of Rs.12,133 lacs being carried forward, the management, based on the order book on hand and relying on the Restructuring Scheme approved by the CDR Cell, is confident of achieving suffiicient taxable income in foreseeable future, which would enable reversals of deferred tax assets already recognized in earlier years.

e) The above financial results are also available on the NSE website www.nseindia.com and the BSE website www.bseindia.com, in addition to the Company's website.

f) Figures for the previous year / periods have been re-grouped / re-arranged, wherever considered necessary, to conform to current period's presentation.

LODHA & CO. MUMBAI-01 Chartered Accountants

By order of the Board
for 3i Infotech Limited

3i Infotech Ltd.

Charanjit Attra
Executive Director & Global Chief Financial Officer

Navi Mumbai
November 11, 2014

LODHA
&CO

Chartered Accountants

6, Karim Chambers, 40, A. Doshi Marg, (Hamam Street),
Mumbai 400 001 INDIA
Telephone : 0091-22-2269 1414 / 2269 1515
0091-22-4002 1140 / 4002 1414
Fax : 0091-22-2261 9983
E-mail : mumbai@lodhaco.com

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 and half yearly consolidated financial results of 3i Infotech Limited for the quarter ended 30th September, 2014 and year to date financial results for the period from 1st April, 2014 to 30th September, 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. 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, have been jointly audited with other auditors upto June 30, 2014.

4. We have not audited the financial statements of 4 subsidiaries included in the consolidated quarterly financial results, whose interim financial statements reflect total assets of Rs.125,928 lacs as at 30th September, 2014, total revenue of Rs.14.004 lacs and Rs. 26,492 lacs for the quarter and half year ended 30th September, 2014, respectively. 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.

LODHA & CO. MUMBAI-01 Chartered Accountants

5. Without qualifying, we draw attention to :-

a) Going Concern and Impairment analysis:

(i) 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 repayment of Principal and payment of Interest in respect of CDR lenders as well as for the interest on the Foreign Currency Convertible Bonds, which may be construed as Default as per the Master Restructuring Agreement (MRA) and terms of FCCB. The Parent Company is negotiating with lenders to restructure the debt and is confident of positive outcome.

(ii) 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, carries out an impairment analysis 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 was relied upon by the auditors being a technical matter.

The above referred impairment analysis resulting into the valuation of business of the entire 3i group which included the business undertaking of Professional Access Software Development Private Limited, India sold as slump sale and divestment of Professional Access Limited U.S.A during the quarter.

Pending negotiations with lenders and Impairment Analysis, the Parent Company has prepared the financial statements on a going concern basis which is dependent, inter alia, upon the positive outcome of negotiations with lenders, infusion of funds and impairment analysis.

b) note no c of accompanying consolidated financial results regarding the justification of carrying deferred tax asset of Rs.12,529 lacs as at 30th September, 2014 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.

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6. 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 September, 2014 as well as year to date results for the period from 1st April, 2014 to 30th September, 2014.

7. 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 Parent Company in terms of Clause 35 of the Listing Agreement and found the same to be correct.

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

A. M. Hariharan
Partner
Membership No. 38323
Place: Mumbai.
Date: November 11, 2014

LODHA & CO. MUMBAI-01 Chartered Accountants

3i Infotech Limited

Annexure to Clause 41 Consolidated Audit Report for the quarter ended September 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- Subsidiary
21	3i Infotech Outsourcing Services Limited, India- Subsidiary
22	3i Infotech (South Africa)(Pty) Limited, Subsidiary- Republic of South Africa(w.e.f. 28th November, 2013-Capital is yet to be infused)
23	Process Central Limited, Nigeria- Joint Venture
24	Professional Access Software Development Pvt. Ltd., India
	Subsidiaries jointly Audited with other Auditors : (Upto 30th June, 2014)
1	Professional Access Ltd., USA (upto 14th August, 2014)
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
4	Locuz Inc., USA (w.e.f. 29th July, 2014- Capital is yet to be infused)

LODHA & CO. MUMBAI-01 Chartered Accountants

LODHA
&CO
Chartered Accountants

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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 30th September, 2014 and year to date financial results for the period from 1st April , 2014 to 30th September, 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 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 (AS) 25, issued pursuant to the Companies (Accounting Standards) Rules, 2006 which continue to apply under section 133 of the Companies Act, 2013 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. 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) Going Concern and Impairment analysis:

   (i) During the financial year 2011-12, the 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 repayment of Principal and payment of Interest in respect of CDR lenders as well as for the interest on the Foreign Currency Convertible Bonds, which may be construed as Default as per the Master Restructuring Agreement (MRA) and terms of FCCB. The Company is negotiating with lenders to restructure the debt and is confident of positive outcome.

   (ii) 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, carries out an impairment analysis 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

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accordingly, the 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 was relied upon by the auditors being a technical matter.

The above referred impairment analysis resulting into the valuation of business of the entire 3i group which included the business undertaking of Professional Access Software Development Private Limited, India sold as slump sale and divestment of Professional Access Limited U.S.A during the quarter.

Pending negotiations with lenders and Impairment Analysis, the Company has prepared the financial statements on a going concern basis which is dependent, inter alia, upon the positive outcome of negotiations with lenders, infusion of funds and impairment analysis.

b) Note no. d of accompanying financial results regarding justification of carrying deferred tax asset of Rs.12,133 lacs as at 30th September, 2014 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.

4) 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 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 on 30th September, 2014 as well as year to date results for the period from 1st April, 2014 to 30th September, 2014.

5) Further, we 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 LODHA & CO.
Firm Registration No: 301051E
Chartered Accountants

A. M. Hariharan
Partner
Membership No. 38323
Place: Mumbai.
Date: November 11, 2014

LODHA & CO. MUMBAI-01 Chartered Accountants