



3i INFOTECH LIMITED

31st ANNUAL GENERAL MEETING

HELD ON MONDAY, SEPTEMBER 30, 2024 AT 11:30 A.M. (IST)

Proceedings of the Annual General Meeting through Video Conferencing (VC) / Other Audio Visual Means (OAVM)

Chairman

Good Morning, Dear All. I, CA Uttam Prakash Agarwal, Non-Executive and Independent Chairman, extend very warm welcome to all of you to 31st annual general meeting of your company 3i Infotech limited. This meeting is being held through audio visual means in accordance with the circulars issued by Ministry of Corporate Affairs and the SEBI.

Participation of members through video conference is being recorded for the purpose of quorum as per the circular issued by the Ministry of Corporate Affairs and section 103 of the Companies Act 2013. Since physical attendance of members is not required, appointing proxy is not applicable. As the requisite quorum is present, I now call the meeting to order.

I am attending this AGM from my own office from Mumbai. Now I request my fellow directors who are attending the AGM to introduce.

Avtar Monga

Good morning, everyone. Welcome to the AGM. This is Avtar Monga. I am attending this meeting as an Independent Director on

the Board from my office in Gurgaon. A very warm welcome to all of you.

Zohra Chatterji Good morning, I am Zohra Chatterji, the Non-Executive Independent Director of the company and chairperson of the Corporate Social Responsibility Committee. I am attending this office, this meeting from my home office in Gurgaon. Welcome to all the members, Shareholders.

Aruna Sharma Good morning, I'm Dr. Aruna Sharma, Non-Executive Director of the company as well as the chairperson of the Products Innovation Sub-committee of the Board. I'm attending the AGM from my home office in Mumbai.

Umesh Mehta Good morning, I am Umesh Mehta, Non-Executive Director of the company as well as the Chairman of Risk Management Committee. I am attending this AGM from my home office in New Delhi. I welcome all the shareholders for this 31st AGM. Thank you.

Chairman Dr. Madan Bhalchandra Gosavi, who was supposed to attend the meeting, but due to a flight delay, he would not be able to attend the AGM and he has also authorized me to consider any issue as a chairman of the Stakeholders' Relationship Committee, which he was supposed to answer.

Along with the Directors, we also have the Key Managerial Personnel of your Company attending the AGM over video conference.

Mr. Raj Ahuja, Acting Chief Executive Officer

Mr. Sanjay Rawa, Chief Financial Officer

Mrs. Varika Rastogi, Company Secretary and Compliance Officer

We also have with us representatives from the Statutory Auditor, GMJ & Co. Chartered Accountants and Secretarial Auditor, M/s. SAP & Associates, Practicing Company Secretaries, attending this meeting through video conference from Mumbai.

I now request the Company Secretary to provide general instructions to the Members regarding participation in this meeting. Over to Varika.

Thank You, Chairman Sir, Good morning, dear shareholders and welcome to the 31st Annual General Meeting of 3i Infotech Limited.

In compliance with General Circulars issued by the Ministry of Corporate Affairs and the SEBI, the AGM is being conducted through Video Conferencing without physical presence of the Members at a common venue. However, proceedings of this AGM shall be deemed to be conducted at the Registered Office of the Company. Before we proceed, I'm pleased to bring to your kind attention that in accordance with the provision of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, the members have been provided the facility to exercise their right to vote by electronic means, both through remote e-voting and e-voting at the AGM.

The e-voting facility has been made available to all the members holding share as on cut-off date that is September 23, 2024; Remote e-voting period commenced from Friday, September 27, 2024, 9:00 A.M. (IST) and ended on Sunday, September 29, 2024, 5:00 P.M. (IST). Remote e-voting has been blocked on September 29, 2024 at 5:00 P.M. IST. Members joining the meeting through video conferencing and who have not already cast their vote by means of

remote e-voting may vote through e-voting facility provided on the website of NSDL.

Soft copy of the Register of Directors & Key Managerial Personnel and their shareholding and the Register of Contracts and Arrangements in which Directors are interested, will be available electronically for inspection by the Members during the AGM. A Certificate from the Secretarial Auditor of the Company stating that the various ESOS Schemes of the Company have been implemented as per the SEBI (Share Based Employee Benefits) Regulations, 2014 as amended from time to time, and in accordance with the resolutions passed by the Shareholders and said Employee Stock Option Schemes will be available electronically for inspection by the Members during the AGM.

AGM is being conducted as per the provisions of the Companies Act and the rules certified therein. Notice convening 31st AGM which forms part of the annual report of the company has already been emailed to all the members. With the consent of the members, may I now consider notice convening the AGM as read.

Facility for joining AGM through video conference or other audio visual means is made available for the members on first come first serve basis.

As the AGM is being conducted through video conferencing, the facility for appointment of proxies by the members is not applicable and hence the proxy register for inspection is also not available.

The company has received requests from a few members to register themselves as speakers at the AGM. Accordingly, the floor will be open for these members to ask questions or express their views. The moderator will facilitate this session once the chairman opens the floor for questions and answers. It may be noted that the company

reserves the right to limit the number of members asking questions depending upon the availability of time at the meeting.

The company has provided the facility to cast the votes electronically on the resolution set forth in the notice. Members who have not cast their votes yet electronically and who are participating in this meeting will have an opportunity to cast their votes during the meeting through the e-voting system provided by NSDL. Members can log on to the e-voting portal of NSDL, evoting.nsd.com under the members/shareholders login, in order to cast their votes.

The voting window has now been opened at 11.30 am and will remain open up to 15 minutes after the conclusion of AGM. Members are also requested to refer to the instructions provided in the notice or appearing on the video conferencing page for a seamless participation through video conference and also for the voting.

The company has taken all feasible efforts to enable members to participate through video conference and vote at the AGM. Thank you once again. I now request Chairman Sir to take over the agenda at the meeting. Thank you, Chairman Sir.

Chairman

Dear shareholders, it is indeed a great honor and a privilege to address you all as a Non-Executive and Independent Chairman of 3i Infotech after vacating the office by the former chairman.

I express gratitude to my fellow board members for their trust in electing me and entrusting with the responsibility of the Chairman of the company. Today, we stand at a pivotal moment, but also the building of a new era filled with growth, innovations, and renewed commitment to excellence. This is a time of profound

transformation, and we are laying the foundation for a promising future.

3i Infotech has embarked on a comprehensive transformation, anchored by three foundational pillars: Compliance, Profitability, and Sustainability. The team of senior manager personnel has been reorganized, aligned with our focus on building one of the best ethically governed organization. While we acknowledge the contributions of former Managing Director & Global CEO, his performance fell short of expectations, leading to his departure and the leadership transition phase aimed at restoring stability and confidence. We are in the process of recruiting a new CEO and in the best interest of stakeholders of the company, the Board deemed it prudent to appoint an acting CEO. Consequently, Mr. Raj Ahuja, who joined the company on June 20, 2024, as Senior Group President – Corporate, effective August 14, 2024.

Mr. Raj Ahuja, a rank holder Chartered Accountant and Cost Accountant, brings with him over three decades of leadership experience and proven track record across multiple industries such as Technology, Media, FMCG, FinTech, Education, Banking, NBFCs and Financial Services.

Our decision to transform was not merely a strategic choice, it was a necessity. To stay competitive and relevant in the rapidly evolving global technological front, 3i Infotech has aligned its capabilities with high-demand areas. This transformation is about rewriting our future, positioning us at the forefront of technological innovation. Our recent achievements including CMMI level 5 appraisal and inclusion in Gartner assessments, validate our strategic direction and commitment to quality.

Let us look at the financial outlook of financial year 2023-24. The past financial year was a period of significant transition towards strategic planning. This strategic planning proved to be the catalyst for our transformative initiative. In the first quarter of financial year 2024-25, we saw the encouraging result of this transition. Our strategic focus is now on consolidating these gains and driving profitability across all business units, making very specific targeted investments in product development, and deepening our market reach.

A critical part of our transformation is the strengthening of internal controls and compliance frameworks. We have implemented rigorous standard operating procedures and initiated forensic audit to ensure our operations adhere to the highest standard of integrity and accountability. To address legacy compliance issues—such as those related to Income Tax, GST, and FEMA—the Sub-committee on Legacy Matters, chaired by myself, was established. You must have noticed this is the first time that the statutory auditor has given disclaimer of opinion in respect of financial statements which indicates that the Board of your company is vigilant to ensure the proper compliances and address all the governance issues. This Sub-committee has undertaken a thorough review of compliance concerns from past management and is working diligently to resolve them in the best interests of our shareholders. Although the forensic audit is ongoing, challenges like unavailability of old records are being addressed with the assistance of external experts. While the legacy issues are being sorted out separately, our focus now is on stabilizing operations, driving profitability growth and enhancing our technological capability to stay ahead of market trends. We are building a scalable, sustainable business model designed to deliver long-term value.

In conclusion, together we are writing a new chapter in the story of 3i Infotech – one of resilience, innovation and sustainable growth. Thank you for being a part of this journey. I look forward to sharing more positive developments with you as we continue to build a stronger, more prosperous Company. I now request Company Secretary to take over.

Company Secretary Thank you, Sir. The Statutory Auditor, M/s. GMJ & Co. has expressed unqualified opinion in the respective audit reports for the financial year 2023-24. However, they have for the first time issued the disclaimer of the opinion in the audit report for the financial results for the year ended March 31, 2024. The statement of impact for the statement of opinion for the year ended March 31, 2024 has been appended as Annexure III to the director's report on page number 120 of the annual report. The statutory auditor's report on standalone and consolidated financial statements can be found on page numbers 137 and 208 of the annual report respectively.

The Secretarial Auditor's report in Form No. MR-3 is enclosed as Annexure IV to the Board's Report on page number 107 of the Annual Report. Thank you, Chairman Sir.

Chairman Thank you, Varika. Now I would request Moderator to announce names of Members one by one, who have registered themselves as Speakers and who wish to speak, and I request Members to confine their speech only to the agenda as per the Notice. We have 8 speaker shareholders in this meeting today.

Moderator Thank you sir. Dear shareholders, thank you for joining the AGM and for taking time to participate in today's AGM. Kindly turn on your video when you are projected on the broadcast screen. Kindly unmute yourself and proceed to ask the question.

Please mention your name, DPID client ID and the location from where you are joining. Each shareholder will have two minutes for their questions. To avoid repetition, the board will respond to all the questions at the end. Once you have asked your question, you can log off and continue to watch the proceedings. Members may note that this meeting is recorded. Please do not disclose any sensitive personal information or personally identifiable information belonging to you or any other person that has no bearing on this meeting.

Speaker shareholder **Mr. Gundluru Reddeppa, Mr. Santosh Saraf, Mr. Sushma Chanda, and Mr. K Bharat Raj** are not connected in the meeting.

So moving to the fifth speaker shareholder, Hardik Indramal Jain. Sir, please unmute your audio, switch on your camera and proceed.

Hardik Indramal Jain Hi sir, thanks for the opportunity. I have a couple of questions. So my first question is how much growth do you expect in next few years?

Then what kind of margins do we expect on a sustainable basis? Like what I see is that from last couple of years, we are not EBITDA positive, right? So that by when can we become EBITDA positive? That's one thing.

And my last question is on what challenges do you foresee in our business? That's it. Thank you.

Chairman Thank you, Mr. Hardik Jain. Mr. Raj Ahuja, our Acting CEO is here and also our CFO – Mr. Sanjay Rawa. So after hearing the questions from all speaker shareholders, Mr. Raj Ahuja and if necessary, CFO as well, will address all the questions. Next speaker

Moderator Thank you, sir.

Speaker shareholder Anil Babubhai Mehta and Om Prakash Kejriwal are not connected in the meeting.

So, moving to the next speaker shareholder, Mr. N. R. Sharanyan. Please unmute your audio, switch on your camera and proceed.

N. R. Sharanyan Hello Good morning and thank you for this opportunity. First of all, congratulations on making EBITDA positive and trying to evaluate the investors. First, my question is like, as an investor, when can we see bottom line profit? Because it's been a long wait for all the investors and still, we are waiting to see some net profit being shown, which adds value to the investor.

My second question is, what is the project status of PIPONET app? because that's been talked about, and it was supposed to generate thousand crore of revenue for five years. So when can we see that revenue coming in?

And my third question is like, are we going to have the present CEO as a permanent CEO or will there be any change in the management? Thank you, thanks a lot.

Chairman Thank you. moderator, any other speakers have come online?

Moderator No, sir.

Chairman So, only two speakers were there?

Moderator Yes, sir.

Chairman Okay. So, I request our Acting Chief Executive Officer to answer the questions.

Acting CEO Good morning, everybody and once again welcome to the 31st AGM of company and I'm very thankful to the people who have joined in this call and have been very actively asking questions. There are two

big items which are coming in this, questions from the two people who have spoken.

One, is that like say yes, we all agree that the company has gone through its own set of challenges in the past few quarters. And we are working on making the whole turnaround of the company since the last, actively three, four quarters now.

The Board has been very much appreciative and has been taking a lot of actions in terms of the change in management, setting the directions right, and also giving guidance on a couple of strategic decisions for the company, and guiding the management team to move forward.

What I see in the next one year or two years, we are very much focused at this point of time on having a consolidation of whatever we are doing in the next two quarters, which is basically financial year ending March 2025.

This particular year will become more like a consolidation for us where we are reviewing our structures, our organization design, our sales and the business model, what we have implemented in the last few years. And we are trying to consolidate all that.

Our strategy is basically focused more on the services strategy, what services we want to focus, geographies we want to focus, and the organizational structure, which we need to create to deliver our numbers. This year growth will be very, very muted and that's mainly because of the fact that we also have been taking actions to cut down some of those revenues, where we found that they are not making sense for the company. They're not having healthy margins, and they were eating a lot of management bandwidth. Because of that, and also in some businesses, we are planning to degrow

because of our long-term strategy in setting up more value added businesses and value added services.

Our margins are going to obviously improve this year as compared to previous year because of certain actions on the revenues what we have taken, but it's still not be like our long-term growth, we should start only from the next Financial Year 2025-26.

We are already EBITDA positive. In the last quarter, we declared positive EBITDA, and we intend to continue, and we are aspiring to continue that EBITDA-positive situation in the next three quarters also, so that the full year will be EBITDA-positive. this time. We're also seeing how we come out of that net profit level, and we will see that as the year progresses, certain actions will lead to a lot of improvement in the overall margins.

Our margins will be stable. It will only improve as compared to the last year, mainly because of the fact of taking actions on certain low margin deals and “negative margin deals. So, our overall margin will be much healthier than what we have delivered in the last year, Financial Year 2023-24.

From this year, after finishing the consolidation exercise of this year, we are going to focus more on the setting up of the growth trajectory at least for the next three years, if not more. We are already discussing and refining that, what business model exactly we should operate in, what kind of leadership team we need to deliver those numbers, and what kind of other resources we will be needing in the next three years to make it happen. And we are working very, very closely with the guidance of the Board members and the Chairman sir to ensure that we deliver and set up the pace for the growth this year, and we deliver those results in the next few years.

There was one question especially on the Railtel project, I think there have been some numbers which have been given in the past. We have reassessed the whole position and we have already done a release sometime back that we are looking to get an investor on board to manage the project for us.

We internally found that the business model of Railtel does not coincide with the business model of our company, which is digital media. And that's why we need some specialist strategic business partner to help us in navigating that contract. And that's why there has been a delay in starting to have the revenue in that particular project.

Now, the things are set on course. Next few weeks, we'll be signing the affirmative agreement with the partner and that will be announced through the stock exchanges to update everybody. And then, the business will obviously start to kick off after that. And we'll see some results to happen in quarter three onwards for that particular business.

This is what I had noted down, I think I will give it back to Chairman Sir. There was one question on the acting CEO versus the full-time CEO. I think I will leave that question to our Board Chairman to answer.

Thank you very much. Once again, over to you sir.

Chairman Any other member, moderator, is there any other member who has requested and joined this meeting?

Moderator No, sir.

Chairman So I think Mr. Raj Auja has given answer for all the question raised by the members or anything is left out? So, thank you all and now

we can say that there are two resolutions to be passed in this Annual General Meeting.

- 1) To receive, consider and adopt the audited financial statement including audited consolidated statement of the company for the financial year ended 31st March 2024 together with the reports of the Board of Directors and auditor thereon. I request the members to give their approval.
- 2) To appoint Dr. Aruna Sharma who retires by rotation and being eligible, offers herself for re-appointment. Now I request Varika to provide a general instruction to the members regarding e-voting at the meeting.

Company Secretary Thank you, sir. Members may kindly note that the voting on the NSDL platform will continue to be available for the next 15 minutes. Therefore, members who have not cast their vote yet are requested to do so.

The Board has appointed Mr. Prakash Shenoy, Partner, M/s. SAP & Associates, or failing him, Ms. Sapna Chourasia, Partner, M/s. SAP & Associates, Practicing Company Secretaries as Scrutinizer to scrutinize the e-voting at the meeting and remote e-voting in a fair and transparent manner.

Results of the voting process will be announced by the Company Secretary duly authorized by the Chairman on or before Wednesday, October 3, 2024, upon receipt of the scrutinizer's report and the same shall be displayed on the website of the Company and on the website of the National Securities Depository Limited, being the agency appointed by the Company to provide the voting facility to the shareholders.

The resolutions as such forth in the notice shall be deemed to be passed today subject to receipt of requisite number of votes. I now request Chairman Sir to express the concluding remarks. Chairman Sir.

Chairman

Thank you, Varika. We are grateful to all our shareholders from all over the world who have joined through video conferencing. I'm also thankful to the management team, auditors and moderator for conducting this annual general meeting. Thank you all.

I now declare the proceeding as closed. Once again, thank you very much to all.
