

Automatic Conversion Notice to Bondholders

THIS NOTICE IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN DOUBT ABOUT THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT IMMEDIATELY YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000 (IF YOU ARE IN THE UNITED KINGDOM) OR FROM ANOTHER APPROPRIATELY AUTHORISED INDEPENDENT FINANCIAL ADVISER.

THIS NOTICE DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY, ANY SECURITY AND IS BEING SENT TO HOLDERS SOLELY IN THEIR CAPACITY AS SUCH.

3i INFOTECH LIMITED

(the "Issuer")

NOTICE OF CLOSING DATE AND AUTOMATIC CONVERSION

**to the Bondholders of the outstanding
U.S.\$2,435,000 4.75 per cent. Convertible Bonds due 2017 convertible into Shares of the
Issuer, issued by the Issuer (ISIN: XS0308551166,
Common Code: 030855116) (the "Bonds")**

Date: December 1, 2016

Dear Sirs:

Reference is hereby made to (i) the Principal Trust Deed, dated as of July 26, 2007 as amended and supplemented by the Supplemental Trust Deed dated April 25, 2012, by and among 3i Infotech Limited (the "Issuer") and Deutsche Trustee Company Limited as trustee (the "Trustee") (ii) the Paying and Conversion Agency Agreement, dated as of July 26, 2007 as amended and supplemented by the Supplemental Paying and Conversion Agency Agreement dated April 25, 2012, by and among the Issuer, Deutsche Bank AG, London Branch, as the paying agent, conversion agent and transfer agent (the "Conversion Agent") and Deutsche Bank Luxembourg SA, as registrar and (iii) the notice of meeting dated July 5, 2016 (the "Notice of Meeting"). Capitalised terms used but not defined herein shall have the meanings given to them in the Notice of Meeting or, in the event so noted herein, in the Principal Trust Deed.

The Issuer hereby notifies the Bondholders that each of the conditions precedent to effectiveness to the Extraordinary Resolution dated August 10, 2016 of the Bondholders of the U.S.\$2,435,000 4.75 per cent. Convertible Bonds due 2017 has been satisfied, and on the Closing Date as set forth below (which date shall not fall on a date earlier than two Business Days following the date of this letter), such portion of the Bonds as specified below will be automatically converted in accordance with Condition 8.12 of the amended Conditions as set out in the Extraordinary Resolution

at such Conversion Price as specified below and such number of Shares as specified below will be issued in such conversion:

Aggregate principal amount of Bonds accepted for Exchange:	USD 400,000
Aggregate principal amount of Bonds expected to be outstanding on the Closing Date before reduction:	USD 1,935,000
Aggregate principal amount of Bonds expected to be outstanding on the Closing Date after the closing of the Exchange Offer and the reduction in principal amount contemplated in the Extraordinary Resolution (before automatic conversion of a relevant portion of the Bonds into Shares):	USD 1,257,750
Relevant Portion of Bonds to be Subject to Automatic Conversion:	USD 774,000
Conversion Price:	Rs. 165.935 per share (Fixed Foreign Exchange conversion rate: Rs. 40.81 = USD 1)
Number of Shares to be Issued pursuant to Automatic Conversion:	190,356
Aggregate principal amount of Bonds expected to be outstanding on the Closing Date after Automatic Conversion:	<u>USD 483,750</u>
Closing Date:	<u>December 9, 2016</u>
Share Agent (name and contact details):	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup West, Mumbai 400 078, India Attention: Ms. Shanti Gopalkrishnan Email: shanti.gopalkrishnan@linkintime.co.in

To the extent Bondholders have not provided details of their custody account in India into which Shares may be deposited upon automatic conversion pursuant to Condition 8.12, such Bondholders should contact (i) within the two month period after the Closing Date, Deutsche Bank AG, London Branch as the tabulation and exchange agent, and (ii) after the date which falls two months after the Closing Date, the Issuer, for transfer of such Shares or the related Net Proceeds.

In order for a Bondholder to claim its entitlement to Agent Shares or Net Proceeds from the sale of Agent Shares, it will also need to provide the information set forth in Annex A, evidence of its ownership of Bonds as of August 12, 2016, being the Automatic Conversion Record Date, and such other information as the Share Agent or the Issuer may reasonably request. Such information must be provided to Deutsche Bank AG, London Branch as the tabulation and exchange agent through the Clearing Systems if it is provided prior to the date which is two months after the Closing Date, following which, such information should be provided to the Issuer directly at:

3i Infotech Limited
Tower # 5, 5th Floor
International Infotech Park
Vashi, Navi Mumbai - 400 703
Maharashtra, India

Email: compliance@3i-infotech.com

Attention: Compliance Officer and Company Secretary

Update on payment of Interest on the Bonds

The amendments to be implemented to the Conditions of the Bonds pursuant to the Extraordinary Resolution provide that the Interest Bearing Portion of the Bonds (as amended by the Extraordinary Resolution) shall accrue interest for the period from and including April 1, 2016 (provided that, for the period from and including April 1, 2016 to and including the Closing Date, such interest will accrue on the outstanding Interest Bearing Portion of the Bonds on the Closing Date only) to but excluding the next applicable Interest Payment Date at the rate of 2.5 per cent. per annum, payable semi-annually in arrears on March 31 and September 30 of each year, commencing on September 30, 2016 and calculated on the basis of a 360 day year consisting of 12 months of 30 days each.

In accordance with the above and as further detailed in the Extraordinary Resolution, payment of interest accruing on the Interest Bearing Portion of the Bonds (as amended by the Extraordinary Resolution) for the period from April 1, 2016 to (but not including) September 30, 2016 (such interest, the "**Initial Interest Amount**") was originally expected to be made on September 30, 2016, but due to the delay in obtaining the approval of the RBI, the Company was not able to pay the Initial Interest Amount to the Bondholders on such date as the Extraordinary Resolution amending the Bonds had not become effective by such date.

As a result, the Company intends to pay the Initial Interest Amount in respect of the Bonds (as amended by the Extraordinary Resolution) within three Business Days after the Closing Date.

To compensate holders for the time elapsed from September 30, 2016 to the date of actual payment of the Initial Interest Amount, the Company will make a one-time additional interest payment at a rate of 2.5 per cent. per annum on the Initial Interest Amount accruing for the period from September 30, 2016 to (but excluding) the date of payment of the Initial Interest Amount.

In accordance with paragraph 3 of the Extraordinary Resolution, the payment of the additional amount to the Bondholders described in the preceding paragraph will be included in the amendments to be made to the Conditions.

In light of the additional payment to be made to holders to compensate such holders for the delay in payment of the Initial Interest Amount, the Company is of the opinion that the delay in payment of the Initial Interest Amount from the date originally described in the Exchange Offer Memorandum and the Extraordinary Resolutions is not materially prejudicial to the holders and has delivered a certificate to this effect to the Trustee.

Interest accruing on the Interest Bearing Portion of the Bonds (as amended by the Extraordinary Resolution) accruing for the period from September 30, 2016 to (but not including) March 31, 2017 will be paid on March 31, 2017.

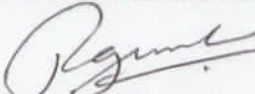
If holders have any questions on the foregoing matters, they should contact the Company as follows:

3i Infotech Limited
Tower # 5, 5th Floor
International Infotech Park
Vashi, Navi Mumbai - 400 703
Maharashtra, India

Email: compliance@3i-infotech.com

Attention: Compliance Officer and Company Secretary

3i INFOTECH LIMITED

By: 

Authorised Signatory

ANNEX A

1. Euroclear/Clearstream account no.
2. The name of the beneficial owners of the Bonds.
3. The name of a contact person.
4. Telephone number and email address.
5. The name of the depository.
6. The name of the depository participant.
7. The depository participant identification number.
8. Beneficiary account number/client identification number.
9. Permanent account number (if applicable).

Please check with your depository participant to ensure that the details of the allottee given in this Annexure match with the data available with the depository participant of the allottee.