

CHALLENGE CHANGE

**CHANGE
RESIDES WITHIN EVERY
CHALLENGE.**

CORPORATE INFORMATION

Board of Directors

Venkat Chary

Chairman,
Independent Non-executive Director

Jignesh Shah

Managing Director

Dewang Neralla

Whole-time Director

Manjay Shah

Whole-time Director

Justice R. J. Kochar (Retd.)

Independent Non-executive Director

A. Nagarajan

Independent Non-executive Director

S. Rajendran

Independent Non-executive Director

Registered Office

Financial Technologies (India) Ltd.

Shakti Tower-1, 7th Floor, Premises-E,
766, Anna Salai, Thousand Lights,
Chennai, Tamilnadu - 600002.

T: +91 44 4395 0850/51

F: +91 44 4395 0899

Corporate Office

Financial Technologies (India) Ltd.

FT Tower, CTS No. 256 & 257,
Suren Road, Chakala, Andheri (East),
Mumbai – 400 093, India.

T: +91 22 6686 1010

F: +91 22 6686 1050

info@ftindia.com

www.ftindia.com

Auditors

Deloitte Haskins & Sells LLP

(till 9th June 2014)

Sharp & Tannan Associates

(w.e.f. 25th June 2014)

Share Transfer Agents

Karvy Computershare Private Ltd.

17-24, Vithalrao Nagar, Madhapur,
Hyderabad – 500081, India.

www.karvy.com

Bankers

HDFC Bank Ltd.

Deutsche Bank AG

Standard Chartered Bank

Union Bank of India

CHANGE RESIDES WITHIN EVERY CHALLENGE.

The challenge is to recognize the challenge and the change within. Those who do overcome this challenge, and welcome the change create opportunities for themselves.

CONTENTS

02	Letter from Chairman's Desk
06	FINANCIAL TECHNOLOGIES OVERVIEW
	Strategic Overview
	Product Overview
	Directors Profile
	Financial Highlights
	Human Capital Overview
14	DIRECTORS' REPORT
34	MANAGEMENT DISCUSSION & ANALYSIS
40	CORPORATE GOVERNANCE
64	FINANCIALS

LETTER FROM CHAIRMAN'S DESK

ECONOMY & POLITY – A NEW ERA SET TO BEGIN

Under the new leadership in New Delhi, our nation will certainly witness wide-spread growth with increasing use of technology and with adequate thrust on skill development and enabled human resources.

A nation requires sustained growth in terms of economy and intellectual capital to fulfill the aspirations of its citizens in ensuring a life worth living for them. Technology, innovation, entrepreneurship and hard work - all play a momentous role in the growth story of a nation especially for India that enjoys enviable demographic advantage with more than one-fifth of the total global population. Our nation is now at the threshold of a new growth trajectory, with the new government in place with more than requisite majority following two decades of fragmented mandate that warranted infamous coalition-compulsion impeding dynamic decision-making for sustained growth. Interestingly, our new vivacious and energetic prime minister is a staunch supporter of technology, innovation, skill development and entrepreneurship in which he ardently believes and has successfully experimented before in his career. Under the new leadership in New Delhi, our nation would certainly witness speedy and all-inclusive growth with increasing use of technology and the required thrust on skill development in creating a pool of enabled human resources. Hence, we see brighter times ahead for us as a company, as we are equally sure that our persistent and passionate efforts in the realm of technology, innovation, skills and entrepreneurship for the last ten years, together with our focused approach to sustain our achievements would pay rich dividends in the coming decade.

ENVIABLE SAGA OF PREVIOUS YEARS

Ever since the beginning, it has been our motto to address the technological needs of the financial markets with utmost determination and passionate devotion that yielded more-than-desired outcome. Today, we act as one of the leading technological-enablers of the financial communities and participants with state-of-the-art software platforms. We have been enjoying an enviable market share as a LEADER in our functional domains for years together that attests to our ideological commitment to innovation and integration in pursuit of our businesses. We built multiple exchange ventures and ecosystem ventures with the thrust upon innovation which still command significant brand equity and recall value now. We invested our significant resources in developing human capital and attuning them to face the challenges in the ever-changing scenario.

LAST YEAR AS IT WAS

We will leave no stone unturned to reinvest to protect and develop the communities within which we operate.

Yes, a difficult phase continues to ensnare us in the form of a payment crisis in one of our group companies. Winston Churchill rightly said "A pessimist sees the difficulty in every opportunity; an optimist sees the opportunity in every difficulty." Despite being a very challenging year, we have successfully managed in consolidating and sustaining our position. Though we had to exit a few ventures either in line with regulatory compliance or out of sound business acumen, we will leave no stone unturned to reinvest to protect and develop the communities within which we operate. Being ardent optimists, we believe that tough times never last but tough people do. Together we can and together we will for sure.

“TOGETHER WE CAN AND TOGETHER

PROMISING TIMES AHEAD

We have incredible strategic advantage, great brands, enduring values, a committed work force which will ensure a brighter future.

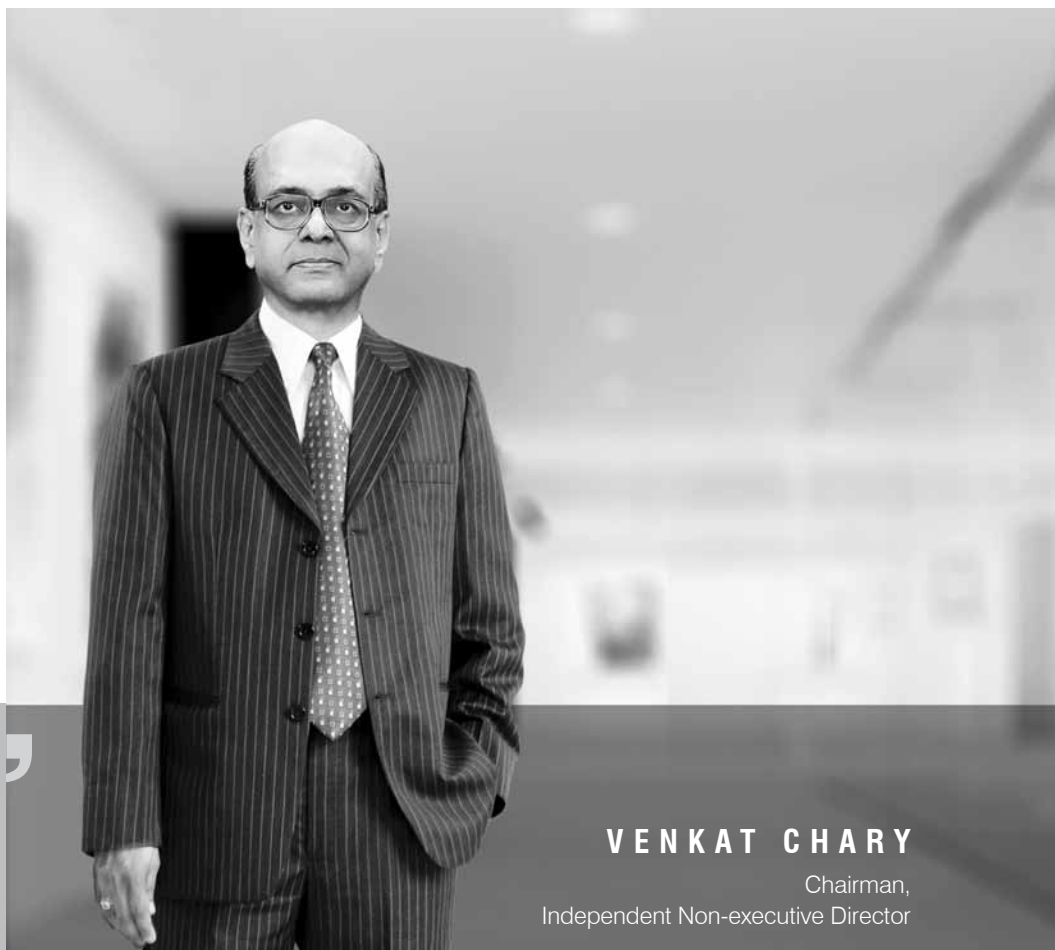
Our achievements in the spheres of technology, exchange businesses and eco-system ventures are outstanding and nonpareil. We have an incredible strategic advantage, great brands, enduring values, committed work force which will ensure a brighter future. We have a credible past and countless opportunities which we need to explore and which will drive our Company to newer heights in the coming decade. In line with our vision statement, we reiterate our renewed commitment to harvesting intellectual

capital, building a brand-centric model and leveraging strong technological platforms to promote a value-driven transaction-intensive business. While expressing my sincere gratitude for bestowing confidence in the leadership of the Company, I welcome all our stakeholders to be a part of our vibrant future.



VENKAT CHARY

Chairman, Independent Non-executive Director



WE WILL.”

VENKAT CHARY

Chairman,
Independent Non-executive Director

MESSAGE FROM MANAGING DIRECTOR

Dear Shareholders,

India: A New Beginning!

As I reflect on the past year, I am reminded of Gurudev Rabindranath Tagore's aptly titled poem, 'Where the mind is without fear' that best describes the enormous Change our country has been through. No matter howsoever challenging the scenario is, the wisdom lies in marching ahead with courage, conviction and confidence, unceasing attributes displayed by citizens of this great nation.

In the past couple of months, our country has witnessed Change across all quarters. This Change was much needed and was driven by the people. India has shown tremendous resilience and resurgence whenever faced with adversity. Be it socially, politically or economically. The induction of the new government at the Centre has brought hope amongst billions. The hope for better opportunities, better life, better growth and better future are common sentiments shared by us all.

Like billions in this country, we too have instilled our faith in the government to harbinger the Change we all have been dreaming of. In the short time that the new government has been at the Centre, it has displayed the tenacity and the will to thrust an all-encompassing development and growth agenda. It has taken objective steps for keeping hope alive in all of us.

The budget announced by the Finance Minister has been inclusive in nature with a strong focus on bringing down inflation and accelerating growth to double digit figures. Integrating technology to bring about efficient governance and accountability has been one of the major highlights of the budget.

Setting up of an entrepreneurship fund for rural youth, developing of smart cities, promoting FDI in selective growth sectors, delivering on the skill development vision by setting up new IIMs and IITs across the country and establishing a Kisan TV to disseminate real time information for farmers are some of the many key initiatives taken up in the current budget.

India has demonstrated its prowess as a technological hotbed. The highest mobile and internet

penetration amongst developing nations, growing e-commerce platforms, hectic pace of infrastructure development, development of world class education facilities and a renowned pharmaceutical industry, reiterate the India Shining story.

***Where the mind is without fear
and the head is held high***

Where knowledge is free

***Where words come out from
the depth of truth***

- Rabindranath Tagore

...INTO THAT HEAVEN OF FREEDOM, MY FATHER,
LET MY COUNTRY AWAKE

FTIL: A New Beginning

Financial Technologies (India) Ltd. (FTIL), your Company, was launched more than two decades ago with the passion and vision to create an innovation driven technology Company to craft next generation financial markets infrastructure and make financial markets accessible to all with the click of a button. This passion and innovation continues in-satiated and lies at the core of all our businesses, people and endeavors, helping us to be the globally recognized conglomerate that we are today. As we go through some challenging times, we resolutely believe that our undying passion infused with the required Change would inspire us to tide over and emerge stronger than ever. FTIL's latent growth potential with renewed precision and perseverance will take us to newer heights in the times to come.

With technology as our cornerstone, FTIL is well poised to capitalize and expand its business in various potentially high growth sectors such as Skill Development, Technology Upgradation, Technological Infrastructure for financial services, education and healthcare. We will explore leveraging our experience of delivering world class technology systems for financial markets into industry

segments that have traditionally been laggard in adopting technology but can jump the curve on Cloud, Social Media, Mobile and Analytics.

Just as a caterpillar has to go through a painful transformation to begin life as a beautiful butterfly, similarly, Change is going to be one of the most important factor which will help us overcome our current challenges. Your Company will chart a new course of action in line with the new emerging scenario by undertaking a comprehensive and sincere review of its current portfolio of businesses. The company's vision and strength has always been to deliver exceptional technological solutions and we will continue to

chart our growth story in the domain. I earnestly feel that with this rejuvenated outlook the best is yet to come for your Company. As gurudev had said in his poem "Into that heaven of freedom, my Father, let my country awake."

Where tireless striving stretches its arms towards perfection

***Where the mind is led forward by thee
Into ever-widening thought and action***

- Rabindranath Tagore



J. P. Shah

JIGNESH SHAH

Managing Director

STRATEGIC OVERVIEW

The year gone by has been very challenging. This would go down in the history of your Company as the most difficult year so far. As a resilient organization with a strong talent pool, a strong infrastructure in FT Tower and a strong balance sheet, your Company is confident of emerging stronger, faster and better from this challenge. It is conscious of its responsibility to create shareholder value and will work towards taking not just its existing technology business to greater heights, but also shaping FTIL into a new path.

Because of the events that unfolded, your Company has decided to go back to its technology roots and rediscover newer areas to take the company towards restoring its past glory again. Your Company has, strategically, decided to exit the exchanges/regulated businesses both in India and around the world.

We are glad to inform you that your Company retains its lead in member technology business and the exchange technology business, despite it being put under introspection, continues to serve the leading exchanges promoted by the company. Given its experience in delivering mission critical technologies for financial markets, we are confident of leveraging the same towards opening newer markets and industry segments that have traditionally lagged behind in adopting technology but can jump the curve on Cloud, Social Media, Mobile and Analytics. Further, your Company aims to consolidate its existing technology portfolio to explore opportunities globally in the financial markets.

TECHNOLOGY VERTICALS

Exchange Solutions



EXCHANGE TECHNOLOGY

Brokerage Solutions



MEMBER TECHNOLOGY

Messaging Solutions



Consulting Solutions



EXCHANGE VERTICALS

Energy



International Multi-Asset Exchanges



Mauritius



Bahrain



Dubai

Commodity



Spot

ECOSYSTEM VERTICALS

Payments
Processing



Digital Information
Broadcasting



PRODUCT OVERVIEW

Financial Technologies (India) Ltd. has emerged as a global leader in engineering technology-centric financial markets. Etching new levels of achievements in making the segment transparent and amply user-friendly, FTIL has been unprecedented in defining the progression of the trading technology space – mobile and internet based.

FTIL has gained precedence in setting new trends, extending high-end, robust and efficient support and solutions. It has amassed significant investment in devising a scalable exchange and trading technology that boasts incomparable domain expertise. Its technology has gained international acclaim for providing pivotal advantages in propelling unrivaled mass disruptive innovation. FTIL has made new inroads in the spectrum, with a distinctive standing as the architect of organized, electronic and regulated financial markets; they have been meticulously created for the new asset and investor strata that are either inadequately served or deprived of the advantage due to monetary unviability of traditional markets. FTIL has plethora of Solutions for all capital markets participants, which include Exchanges, Brokerage Houses, Fund Houses, AMCs etc. for their trading related requirements.

FTIL has enthusiastically redeemed challenges in the business sphere, thus reaped significant results. It has underpinned a few of the existing businesses while excelling to achieve lucrative growth, and exited a few ventures. It has built vital capabilities to be competitive. FTIL has elevated adeptness and acumen to determine sustained productivity.

EXCHANGE SOLUTIONS	MARKETS				
	Commodity	Equity	Currency	Fixed Income	Energy/Power
PRODUCTS					
DOME	✓	✓	✓	✓	✓
CnS	✓	✓	✓	✓	✓
FX-Direct™	□	□	✓	□	□
FOVEA™	✓	✓	✓	✓	□
Risk Management	✓	✓	✓	✓	□
TRADEDART™	✓	✓	✓	✓	✓
MarketXstream™	✓	✓	✓	✓	□
DMATS™	✓	✓	□	✓	✓
PowerARMS™	□	□	□	□	✓
TSO	□	□	□	□	✓
eRegistry	□	□	□	□	✓
ECS	✓	✓	✓	✓	✓

✓ Available □ Not Available