

CHALLENGES TRANSIENT, GROWTH INEVITABLE



A N N U A L R E P O R T 2 0 1 7 - 1 8



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Venkat Chary (IAS, Retd.)

Chairman, Independent Non-Executive Director

Justice R. J. Kochar (Retd.)

Independent Non-Executive Director

Justice Deepak Verma (Retd.)

Independent Non-Executive Director

Mr. A. Nagarajan (IAS, Retd.)

Independent Non-Executive Director

Mrs. Chitkala Zutshi (IAS, Retd.)

Independent Non-Executive Director

Mr. Suresh Salvi (IAS, Retd.)

Non-Executive Director

Mr. Sunil Shah

Non-Executive Director

Mr. Kanekal Chandrasekhar

Non-Executive Director

(appointed w.e.f. 27/09/2017)

Mr. S. Rajendran

Managing Director & CEO

Mr. Rajendra Mehta

Whole-time Director

Mr. Devendra Agrawal

Whole-time Director & CFO

(appointed w.e.f. 27/05/2017)

Mr. Berjis Desai

Non-Executive Director

(ceased w.e.f. 26/05/2017)

Mr. Jigish Sonagara

Non-Executive Director

(ceased w.e.f. 10/08/2017)

REGISTERED OFFICE

63 moons technologies limited

(Formerly Financial Technologies (India) Limited)

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

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F: +91 44 4395 0899

CORPORATE OFFICE

63 moons technologies limited

(Formerly Financial Technologies (India) Limited)

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

T: +91 22 6686 1010

F: +91 22 6725 0257

info@63moons.com

www.63moons.com

AUDITORS

Sharp & Tannan Associates

Chartered Accountants

SHARE TRANSFER AGENTS

Karvy Computershare Private Ltd.

Karvy Selenium Tower B, Plot No. 31 & 32 Gachibowli,
Financial District, Nanakramguda, Serilingampally,
Hyderabad - 500032, Telangana, India.

www.karvy.com

BANKERS

Axis Bank Limited

HDFC Bank Ltd.

Deutsche Bank AG

Standard Chartered Bank

Union Bank of India

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**STANDING TALL
AMIDST
HEADWINDS**

WHEN THE GOING GETS TOUGH, THE TOUGH GET GOING.

- Joseph Patrick Kennedy Sr.

As the Senior Kennedy, American businessman, investor, politician and father of celebrated US president John Fitzgerald Kennedy, rightly said, it is in times of crisis that the true strength of our character is determined. And who else but your Company would know it better?

From the time it began its journey, your Company has steadfastly marched ahead, taking on every challenge that came in its way.

Despite all the roadblocks created in its path, your Company succeeded in setting up world-class institutions and a robust market infrastructure and solutions by creating a vast ecosystem in India and abroad.

With all modesty, your Company states that it has a great sense of satisfaction in the fact that its ventures like the world's No. 1 brokerage trading terminal, ODIN, have created more than 25 lakh jobs and positively impacted livelihood of close to 1 crore Indians.

However, as you know, in the wake of a crisis in one of our subsidiaries, your Company is facing certain legal challenges. The resolution of the crisis has been delayed for these five years because of vested interests despite our most sincere efforts. But your Company has continued on its path of entrepreneurial innovation, fighting legal challenges on the side lines because of its firm belief that truth will ultimately prevail.

It is situations like these that tell us that life is bigger than a single incident.

We believe, we are fighting a war for righteousness... in the firm belief that no force, however evil, can take away the talent and spirit, inherited in the DNA, especially when you have done no wrong.

All fights for rights are won through struggle and discipline, persistence and faith.

With this courage, we stand together in our fight for justice and to safeguard the interests of our shareholders.

With you, we stand tall and look forward to a new dawn!

Letter From **CHAIRMAN'S DESK**

CONVERTING CHALLENGES INTO GROWTH OPPORTUNITIES

Your Company has been in the eye of a storm ever since the payment default occurred at one of the subsidiaries, the National Spot Exchange Limited (NSEL). Challenges have never been new to your Company and 2017 was no different. The journey has been a roller-coaster ride but, despite that, we have continued to be on our path of entrepreneurial innovation, standing tall, weathering every rough terrain that came our way.

As you are aware, various unprecedented actions have been taken against your Company, like forcing it to exit the Exchange space by declaring it “not a fit and proper,” ordering it to merge with NSEL and the subsequent move to change its management, and that too, without running any evidence-led trial.

Despite these daunting situations, your Company has remained as zealous as it was before the NSEL payment default and has continued with the same spirit of innovation,

without retrenching a single employee. Your Company has also fully cooperated with all the investigative agencies. As such, it is unfortunate that your Company continues to be repeatedly harassed, hounded and targeted through various executive actions merely on the basis of perceptions and without going into the depth of the truth.

As regards the forced merger of your Company with NSEL as sought by the Ministry of Corporate Affairs (MCA), your Company has moved the Hon'ble Supreme Court on the grounds that such a move threatens the sacrosanct concept of limited liability in the Company Law by lifting the corporate veil, and that too, without any evidence-led trial, which will adversely impact investment flow into India by way of domestic investments, FDIs, FII's. The Hon'ble Supreme Court has been pleased to continue the interim protection granted by the Hon'ble Bombay High Court against the implementation of merger order.



VENKAT CHARY

Chairman, Independent Non-Executive Director

As you already know, your Company has empowered India with 25 lakh jobs and positively impacted approximately 1 crore livelihoods through its path-breaking ventures like ODIN, the brokerage trading terminal and lifeline of Indian markets, which has a record market share of over 85%, and recently completed glorious 20 years.

Your Company's journey towards creating IT-driven innovations continues unabated with focus on client servicing and new product development that will lead to growth and create value for its shareholders. The mainstay of your Company remains its strong balance sheet, robust infrastructure and efficient human capital. It is because of these factors that your Company is a virtually zero-debt Company, which created a vast business ecosystem without any tax incentives, loans or favors from the government besides paying more than ₹ 2,000 crore in taxes. We believe our business acumen, exhaustive technology expertise and the perseverance to succeed will transform our

ventures into globally renowned robust and successful systems.

Given an opportunity, your Company is competent enough to create a business model by becoming technology innovation partners to enable 108 new digital disrupters in 12 verticals across all sectors. As ideators, innovators and change agents, we are sure a bright future awaits us.

Amidst all this turbulence, your Company's spirit remains intact and it stands tall because it has immense faith in the law of the land and believes that truth will ultimately prevail.

VENKAT CHARY

Chairman, Independent Non-executive Director
63 moons technologies limited

Message From **MANAGING DIRECTOR & CEO**

Dear Shareholders,

Your Company looks upon the developments on the technological front as good opportunities for future growth. Given the business structure, your Company believes that it will grow stronger hereon. Structural reforms initiated by the Government of India are expected to take the Indian economy to a higher trajectory, thereby positively impacting the lives of the masses.

As I reflect on the fiscal 2017-18, I am awed at the speed at which India is evolving, and I am happy to inform you that your Company has made all efforts to take into its stride every development that is taking place in the fintech arena.

Let me take this opportunity to congratulate you as the stakeholders of **63 moons technologies limited** as it enters into the 21st year of ODIN - your Company's flagship brokerage trading suite of solutions!

ODIN, the No. 1 IP-centric solution, supports over 5 lakh terminals, 25 lakh licenses facilitating over 10 lakh transactions a day. During this journey, your Company has lapped up a lion's share in the competitive market and created employment opportunities for over 25 lakh people, thereby impacting lives of over 1 crore Indians.

BUSINESS REVIEW

Your Company's products/offerings have been making solid impacts in various segments of its operations. Its efforts are guided in the direction of making the suite of solutions future-ready. During the year under review, your Company has taken ODIN to the next level by enriching it with the most advanced features:

S. RAJENDRAN

Managing Director & CEO



- **ODIN BOT:** It enables an intelligent automated chat-based solution that provides a full range of financial services and transactions - news, research, advisory, market data, alerts, buy/sell/redeem, etc. by deploying artificial intelligence (AI), Natural Language Processing (NLP) and Machine Learning (ML) to deliver customised services to users.
- **ODIN VOICE CAST:** It works in a cloud-based automated environment that provides multi-lingual, near-human voice communication with an in-built archival system and text to free-flowing speech capabilities. It also enables automated transaction confirmations, targeted communication of business offers, product launch, reminders and announcements.

- **ODIN VOICE:** It is an AI-based conversational user interface (CUI) that can be the smartest service agent to customers. It provides a context aware, rich decision support system in the most natural way. It simplifies complex investment tasks through voice commands and information service.

These enhancements in ODIN, which cater to a number of expectations from the brokers' community, will help it gain an even larger market share in the coming years.

The other critical range of products in the brokerage trading solutions suite like **Match™** was also enhanced to operate in the new GST regime. It incorporated features that enabled its back office implementation of Hold, Release

and Transfer with banking ecosystem, for smooth transaction processing between banks and brokerages.

The middle office service offering, **Protector**, an important segment of your Company's offerings, was made compatible for INX Segment that is compliant for operation in the Gift City. The product was enhanced to become operable with eKYC Mobile App, and VAT was implemented in the Match International product.

Risk Solutions, your Company's suite of solutions for bankers, with two main offerings, namely, '**DataCollector**' and '**Riskcalculator**', caters to leading regulatory clients in India and abroad. During the year under review, Risk Solutions was awarded a project from the Government of Rajasthan for implementing 'Integrated Management Information System' (iMIS).

Risk Solutions has also successfully implemented 'Foreign Accounting Tax Compliant Act' (FATCA) system for the Central Bank of Bahrain. FATCA is a comprehensive solution enabling users to report United States tax information from its entities.

Riskcalculator caters to the Enterprise Risk Management of banks comprising the following modules such as Credit Risk, Market Risk, Operational Risk, Asset Liability Management and Compliance reporting/ADF. The application computes Regulatory Capital as per Basel norms prescribed by the regulator. It operates on a web platform with a single underlying data model insulated from client's information architecture. The division has successfully implemented Riskcalculator in seven multi-national banks.

Risk Solutions has won the Best Solution Provider of the year 2017 award and one of its clients has won the Best Risk Technology Implementation of the year award in the CRO Leadership Summit 2017.

Your Company's state-of-the-art **Exchange Technology** vertical holds a range of stock market software that simplifies the trading and settlement of Multi-Asset and Multi-Currency products, to enable any exchange to seamlessly operate in local or cross-border markets.

With its genre of IP-driven product offerings, your Company looks forward to exploring newer options to build upon its strong business verticals in the coming year and to take it to the next level despite the challenges it faces.

By enriching its products offerings, your Company has exemplified its strength and resilience amidst strong headwinds from all directions, even as a spate of executive actions continue against us without an evidence-led trial in the wake of the payment crisis at one of its subsidiaries five years ago.