





**i-flex solutions ltd.**

i-flex annual report 2000-2001





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*Flexibility is at the core of i-flex solutions. It is a mantra that pervades everything that i-flex does.*

*It is no coincidence that 'flex' is found in the name of the company and in its flagship brand 'FLEXCUBE'.*

*It is all about stretching limits to deliver value. To be agile and to adapt to the ever-changing environment. To be robust, resilient and to bounce back in the face of competition. To strike swiftly and accurately with innovations and new technology. And to be flexible and open to new challenges all the time.*

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Growing development facilities, new business alliances, a broader product range, increased market penetration, greater global reach and new lines of business were the highlights of the year.

**April 2000:** Won accolades from the Government of Karnataka for outstanding export performance.

**May 2000:** Announced formation of DotEx International Limited, a broker-neutral Internet trading platform, in association with the National Stock Exchange of India (NSE.IT).

**June 2000:** Signed a multi-million dollar deal with Shinsei Bank, Japan, marking i-flex's successful entry into the demanding Japanese market.

**July 2000:** Set up a joint venture with the HDFC Group to form Flexcel International (P) Limited – a company dedicated to deploying FLEXCUBE on an Application Service Provider (ASP) model.

**October 2000:** Signed an agreement with Andersen Consulting (now Accenture) to implement FLEXCUBE in the West African market.

**December 2000:** FLEXCUBE added one new financial institution, every two weeks. It also crossed the 50 sales mark (across 27 countries) within three years of its launch.

**January 2001:** Established a new financial software development facility at Pune for credit cards, payment systems and internet/e-commerce security.

**January 2001:** Strategic alliance with Intel announced to jointly address the financial services market.

# Highlights of 2000-2001

Report



Report Junction

**Major Aki:** FLEXCUBE bagged Banking Software 2000 Award from the Chartered Institute of Marketing of Nigeria (CIMN).

i-flex opened its Asia-Pacific headquarters in Singapore and announced a multi-million dollar order from DBS Bank, Singapore, for the deployment of FLEXCUBE across 10 countries.

Deepak Ghaisas became the first Indian ever to win the CFO Asia 'Achievements in Best Practices' Award instituted by CFO Asia Magazine.

International Banking Systems, UK, ranks FLEXCUBE among the top two selling wholesale banking systems for the second year in succession in its Sales League Table for 2000. And the Retail Banking Systems Sales League Table ranks FLEXCUBE among the top three solutions for 2000.



Pramod Mahajan, Minister of Information Technology, Government of India giving away the Award for Excellence in Software Exports to Deepak Ghaisas, CEO-India Operations, i-flex solutions ltd.

**Track record – 5 years**

(Figures in Lakhs of Rupees unless otherwise stated)

	1996-97	1997-98	1998-99	1999-2000	2000-01
Total Revenues	545.26	825.86	1,444.31	2,062.69	3,211.21
Earnings before tax	201.31	312.67	511.11	721.00	1,128.21
Tax	7.80	4.75	6.77	28.27	28.00
Earnings after tax	193.51	307.92	504.33	692.73	1,100.21
EPS	11.63	18.51	30.31	41.63	66.13
Book Value	23.69	48.36	77.99	127.46	190.83

Notes:

- 1) The company issued bonus shares in the ratio of 1:1 in 2000-01 for the second consecutive year
- 2) All EPS and Book Values are computed based on the current equity capital base of 16,638,200 shares

EVA	122.47	173.87	264.03	328.33	548.39
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## Aim

Clarity of vision depends on focus. Since inception, i-flex has focused exclusively on the global financial services industry, with a comprehensive suite of products and services. This unremitting focus enables i-flex to deliver value to its customers through a unique blend of technology expertise and domain knowledge in financial services.

It is this track record of delivering value that has led over 280 financial institutions across 74 countries to choose i-flex as their IT partner.

With this widespread and rapidly growing customer base, i-flex is making progress towards its goal of becoming the preferred software solutions partner to the global financial services industry.

There are numerous expressions of i-flex's breadth and depth of experience – evident in its qualified professionals, its knowledge management capabilities, and its comprehensive range of products and services.

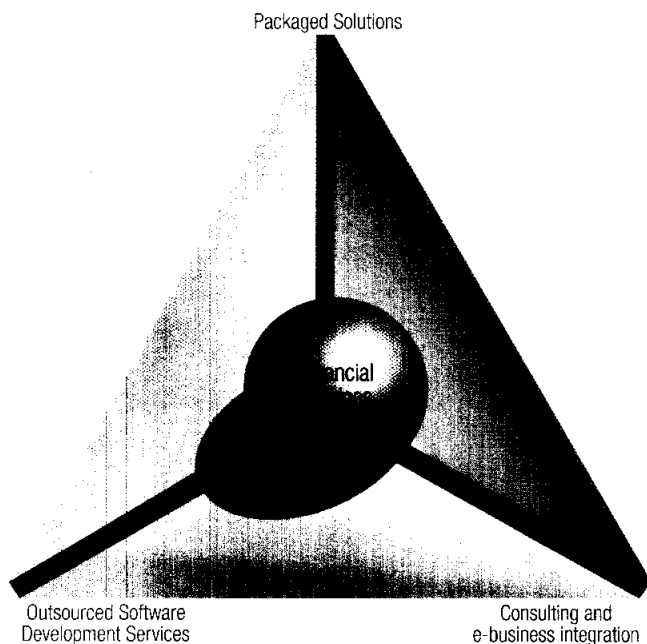
## Reservoir of talent

i-flex's team of 1,590 professionals (March 31, 2001) has a rich blend of technology and domain knowledge. Drawn from technical and financial backgrounds, they speak one language – that of our customers. Intensive, ongoing training keeps our professionals abreast of the latest developments and trends in both business and technology. Notably, i-flexers spent more than 23,000 person hours in training in 2000-01. An investment which yielded rich results in the quality of solutions delivered to our customers.

## Knowledge is power

At i-flex, our depth of experience is exemplified in our knowledge management techniques which create, disseminate, renew and apply our knowledge of the financial services industry toward organizational growth.

We are addressing the challenges of building a globally connected, learning organization through the design and implementation of our knowledge management infrastructure – 'i-Clear' (i-flex Corporate Learning Repository). The i-Clear Knowledge Management Portal is being deployed enterprise-wide in a phased manner starting this year,



and will enable i-flexers to share information and collaborate seamlessly across groups and offices.

## Thought Leadership

Our extensive experience in the financial services industry is regularly shared with our customers as well as international audiences at large. We organize user meets to encourage customers to share ideas and learn from industry experts, both at a regional and global level.

This year, we organized two user meets in Malta and Cyprus for our European customers.

We brought more than 60 eminent bankers and technology partners from Africa together at the first ever Africa Banker's Strategic Leadership Meet in the beautiful surroundings of the Indian Ocean island of Seychelles in February 2001.

At a global level, we organize a bi-annual international user meet for all our customers and partners. The fourth such meet is scheduled to take place at Singapore in October 2001.

i-flex's managers were invited to share their knowledge and wealth of experience at various industry events in Argentina, Dubai, Hong Kong, Jamaica, Malaysia and Thailand.

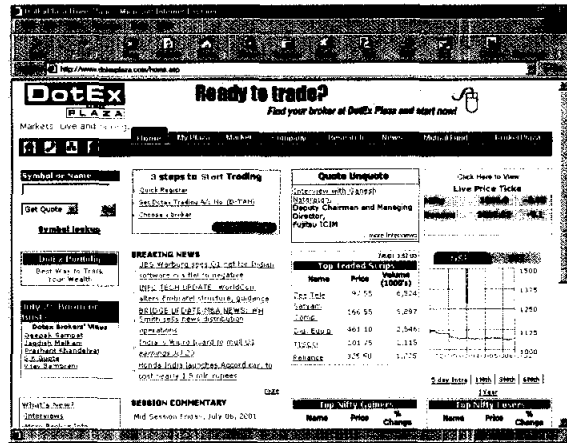
As part of our training commitment to our partners, we launched our 'FLEXCUBE Center of Learning' program in November 2000. 13 partners from three organizations were trained at this six-week program and were certified for FLEXCUBE Implementation.

## New Business Ventures

At i-flex we are constantly looking for opportunities to leverage our existing assets to deliver value-added solutions appropriate to the changing business environment.



One such example is a new venture – DotEx International Ltd. – to create a neutral financial portal for trading securities (www.dotexplaza.com). This portal, launched in November 2000, is powered by i-flex technology and developed as part of a joint venture agreement with the IT division of the National Stock Exchange, India. DotEx provides advisory services to investors and a ready-to-use infrastructure for brokers and the investing community.



www.dotexplaza.com

### Preparing for the future

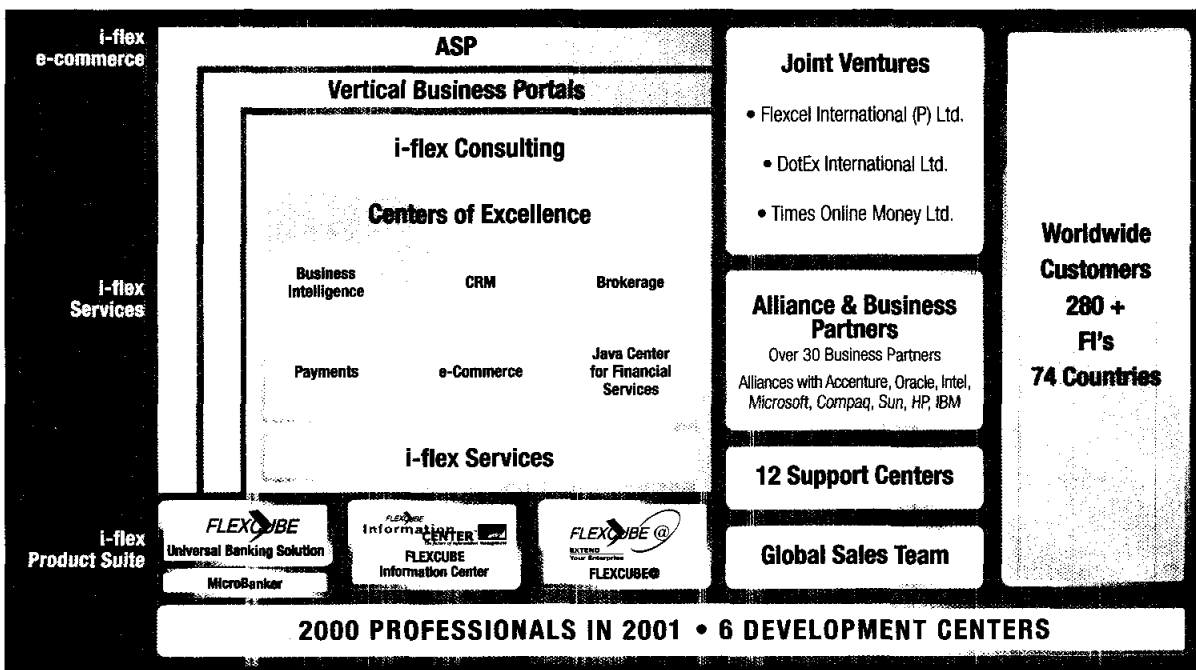
In line with our strategy of building new capabilities and businesses to keep pace with market trends and capture emerging opportunities, we began new initiatives in the Application Service Provider (ASP) space. In the year under review, i-flex entered into a joint initiative with the HDFC Group to offer FLEXCUBE on an ASP model.

We also opened a new development center in Pune to offer Integration Services, Security and Payment Systems. Work is underway to develop a solution

that allows different payment schemes like credit cards, debit cards, e-cash, e-checks either on-line or off-line on PCs, mobile phones and PDAs.

*i-flex won the first 'Frost & Sullivan Market Engineering Award for Technology Leadership 2001' for its Application Service Provider model. The criteria for the award include significance of technology, number of competitors having similar technology, value-added technology and services to customers, adoption rate by participants and customers, new product innovation and time-to-market.*

### i-flex Business Model



In business today, you can't afford to take your eye off the ball.

# Resilient

Financial institutions are faced with fierce competition, mounting customer expectations and evolving technology. And speed is the key differentiator.

i-flex has designed its suite of software solutions keeping this perspective in mind.