



## FINANCIAL TECHNOLOGIES (INDIA) LIMITED

CIN: L29142TN1988PLC015586

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### POSTAL BALLOT NOTICE

**(Pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014)**

Dear Member(s),

Notice is hereby given pursuant to the provisions of Section 110 and other applicable provisions of the Companies Act, 2013 (“the Act”) read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (“the Rules”) (including any statutory modification or re-enactment thereof for the time being in force), for seeking your consent, to pass the proposed resolution as Special Resolution through Postal Ballot with respect to the Special Business of sale of business undertakings/shares/investments held by Financial Technologies (India) Limited (hereinafter called the “Company”) in Bourse Africa Limited (BAL), Mauritius, a step-down subsidiary of the Company.

The Company is seeking your approval in respect of the said special resolution through Postal Ballot. The proposed resolution and explanatory statement pertaining to the said resolution, pursuant to Section 102(1) of the Companies Act, 2013, setting out the nature of concern or interest, financial or otherwise, and other information and facts to enable you to understand the meaning, scope and implications of the items of business and to take decision thereon, is appended herewith for your consideration along with a ‘Postal Ballot Form’ and self-addressed postage pre-paid business reply envelope.

If you are voting through Postal Ballot Form (i.e. Physical Ballot), you are requested to carefully read the instructions printed on the form enclosed herewith and return it, duly completed and signed along with your assent (FOR) or dissent (AGAINST) in the attached self-addressed postage pre-paid business reply envelope, so as to reach the Scrutinizer on or before the close of working hours i.e. 6:00 p.m. on 19<sup>th</sup> February, 2015. **Please note that any Postal Ballot Form(s) received after the prescribed period will be treated as not having been received.**

In accordance with Clause 35B of the Equity Listing Agreement entered into by the Company with Bombay Stock Exchange Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) on which the equity shares of the Company are listed, and the provisions of Section 108 and 110 of the Act read with the Rules, the Company is pleased to provide electronic voting (“e-voting”) facility as an alternative to its members to enable them to cast their votes electronically instead of dispatching the physical Postal Ballot Forms by post. The Company has engaged M/s. Karvy Computershare Pvt. Ltd. to provide e-voting facility. The e-voting facility is available from 20<sup>th</sup> January 2015 (9:00 a.m. onwards) till 19<sup>th</sup> February, 2015 (upto 6:00 pm). **For e-voting, please read carefully the “Procedure/ instructions for e-voting” enumerated in the notes to this Notice.**

**It may be noted that e-voting is optional. If a Shareholder has voted through e-voting facility, he is not required to send the Postal Ballot Form. If a Shareholder votes through e-voting facility as well as sends his vote through the Postal Ballot Form, the votes cast through Postal Ballot Form shall only be considered by the Scrutinizer and voting done by e-voting will be treated as invalid.**

The Board of Directors of the Company (hereinafter called the “Board”), in compliance with the Rules, has appointed Mr. B. Narasimhan, Proprietor, M/s. BN & Associates, Company Secretaries, Mumbai, as Scrutinizer (hereinafter called the “Scrutinizer”), for conducting the said Postal Ballot process in a fair and transparent manner.

The Scrutinizer will submit his report to the Chairman or any Director of the Company, as may be authorized by the Board in this regard and after completion of scrutiny, on 20<sup>th</sup> February 2015. The result of the Postal Ballot will be announced by the Chairman or any Director of the Company on 20<sup>th</sup> February 2015 at Company’s Corporate office. In addition to the results being communicated to Stock Exchanges, the results along with scrutinizer’s report will also be placed on Company’s website i.e. [www.ftindia.com](http://www.ftindia.com). It will subsequently be published in at least one English and one regional language newspaper circulating in Chennai. If the proposed special resolution is assented by a requisite majority, it shall be deemed to have been duly passed at a general meeting. The resolution will become effective on and from the date of announcement of result of the Postal Ballot by the Chairman or any Director of the Company who may be authorized by the Board in this regard.

The resolution for the purpose as stated herein below is proposed to be passed by Postal Ballot:

#### **SPECIAL BUSINESS:**

##### **1. Sale of shares held by the Company in Bourse Africa Limited (BAL), a step down subsidiary of the Company:**

To consider and if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (“the Rules”) and other applicable provisions, if any, of the Act (including any statutory modifications or re-enactments thereof for the time being in force) and the Memorandum and Articles of Association of the Company and subject to compliance of Clause 49 of the Equity Listing Agreement (as revised from time to time) and all applicable laws and regulations and such permissions, approvals, consents and sanctions as may be necessary from the concerned

statutory/regulatory authorities and subject to such other terms and conditions as may be imposed by such concerned statutory/regulatory authorities, the consent of the Company be and is hereby accorded to the Board of Directors ("the Board" which expression shall also include a committee of directors constituted and authorized for purposes mentioned hereof) to sell, transfer or otherwise dispose of the whole or substantially the whole of the undertakings(s) /entire investments / shares held by FT Groups Investments Pvt. Ltd. (FTGIPL), a wholly-owned subsidiary (WOS) of the Company, in Bourse Africa Limited, Mauritius, a WOS of FTGIPL and there by a step-down subsidiary of the Company to Continental Africa Holdings Limited, Mauritius for a consideration and such other terms and conditions more particularly stated in Share Purchase Agreement (SPA) as approved by the Board.

**RESOLVED FURTHER THAT** any one of the Director and/or the Company Secretary of the Company be and is hereby authorised for managing the entire postal ballot process and that they are hereby severally authorised to take all incidental and necessary steps for and on behalf of the Company and to settle all questions or queries that may arise in the course of implementing this resolution including to seek registration of any such documents, deeds, determining the exact effective date, as may be necessary, filing intimations, applying for and/or behalf of the Company and seeking approvals/consents of necessary parties including without limitation regulatory authorities, for giving effect to this resolution and they shall also have the power and authority severally and to delegate all or any of powers conferred herein as they may deem fit.”

By order of the Board  
For Financial Technologies (India) Limited

Sd/-  
Hariraj Chouhan  
Vice President & Company Secretary

Date: 6th January, 2015

**Notes:**

1. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 setting out all material facts and reasons for the aforesaid special business is annexed hereto.
2. The Postal Ballot Notice is being sent to all the Members of the Company, whose names appear in the Register of Members/List of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) as on 02<sup>nd</sup> January 2015 (cut-off date) and the voting rights shall also be reckoned on the paid-up value of shares registered in the name of the Member(s) as on the said cut-off date.
3. The Postal Ballot Notice is being sent by email to those members who have registered their email addresses with their depository participants (in case of shares held in demat form) or with the Company's Registrar & Share Transfer Agent (in case of shares held in physical form). For members whose email IDs are not registered, physical copies of Postal Ballot Notice are being sent by permitted mode, along with a postage-prepaid self-addressed Business Reply Envelope.
4. Only a Member entitled to vote is entitled to exercise his vote through e-voting/physical Ballot and send it to the Scrutinizer. Any person having no voting rights should treat this Notice as intimation only.
5. The Board of Directors, at its meeting held on 6<sup>th</sup> January 2015 has appointed Mr. B. Narasimhan, Proprietor, M/s. BN & Associates, Company Secretaries, Mumbai, as the Scrutinizer to receive and scrutinize the completed Postal Ballot papers received from the Members and for conducting the Postal Ballot process in a fair and transparent manner.
6. Postal Ballot Form and the self-addressed postage pre-paid envelopes are enclosed for use of Member(s).
7. Members can cast their vote online from 20<sup>th</sup> January 2015 (9:00 am onwards) till 19<sup>th</sup> February 2015 (upto 6:00 pm) as the e-voting module shall be disabled for voting by Karvy Computershare Pvt. Ltd. thereafter. If you are voting through Postal Ballot Form (i.e. Physical Ballot), you are requested to carefully read the instructions printed on the form enclosed herewith and return it, duly completed and signed along with your assent (FOR) or dissent (AGAINST) in the attached self-addressed postage pre-paid business reply envelope, so as to reach the Scrutinizer on or before the close of working hours i.e. 6.00 p.m. on 19<sup>th</sup> February 2015. **Please note that any Postal Ballot Form(s) received after that date will be treated as not having been received.**
8. Documents related to the abovementioned sale are open for inspection at the Registered Office of the Company on all working days (except Saturdays) from 10:00 am to 1:00 pm till 19<sup>th</sup> February 2015.
9. For e-voting, please read carefully the "Procedure/instructions for e-voting" enumerated herewith:

## PROCEDURE/INSTRUCTIONS FOR E-VOTING:

The instructions for Members for e-voting are as under:

### A. In case a Member receives an e-mail from Karvy Computershare Pvt. Ltd:

- i. Launch Internet browser by typing the URL: <https://evoting.karvy.com>
- ii. Enter the login credentials (i.e. user ID and password mentioned in your email/Postal Ballot Form). Your Folio No./DP ID client ID will be your user ID. *However, if you are already registered with Karvy Computershare Pvt. Ltd. (Karvy) for e-voting, you can use your existing User ID and Password for casting your vote.*

USER ID:	<b>For Members holding shares in Demat form:</b> a. For NSDL: 8 character DP ID followed by 8 digits Client ID b. For CDSL: 16 digits Beneficiary ID/Client ID <b>For Members holding shares in Physical form:</b> Event no. (EVEN) followed by Folio No. registered with the Company.
Password:	Your Unique Password is printed on the Postal Ballot Form/provided in the email forwarding the electronic notice.

- iii. After entering these details appropriately. Click on 'LOGIN'
- iv. You will now reach Password Change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (e-z), one numeric value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile, email ID etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the "EVENT" i.e. Financial Technologies (India) Limited
- vii. On the voting page, enter the number of shares as on the cut-off date (which represents the number of votes) under "FOR/AGAINST" or alternatively, you may partially enter any number in 'FOR' and partially in "AGAINST" but the total number in 'FOR/AGAINST' taken together should not exceed the total shareholding. If the shareholder does not indicate either "FOR" or 'AGAINST' it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii. Cast your vote by selecting an appropriate option and click on "Submit". A confirmation box will be displayed. Click "OK" to confirm else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on all the resolutions.
- ix. Corporate/Institutional Members (i.e., other than Individuals, HUF, NRI, etc.) are also required to send scanned copy (PDF Format) of the relevant Board Resolution/Authority Letter, etc. together with attested specimen signature of the duly authorized signatory(ies), to the Scrutinizer at e-mail id [ftil\\_postalballot@gmail.com](mailto:ftil_postalballot@gmail.com) with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com). The scanned image of the above mentioned documents should be in the naming format 'Corporate Name\_EVEN NO.'

### B. In case a Member receives Postal Ballot Form by Post:

- i. Initial password is provided at the bottom of the Postal Ballot Form.
- ii. Please follow all steps from SI. No. (i) to SI. No. (ix) as mentioned in (A) above, to cast e-vote.

C. In case of any queries, you may refer the Frequently Asked Questions (FAQs) and e-voting User Manual for shareholders, available at the download section of <https://evoting.karvy.com> or contact Karvy Computershare Pvt. Ltd. at Tel No. 1800 345 4001 (toll free).

10. Eligible Members who have not received/received the Postal Ballot notice by email and who wish to vote through physical ballot can download the form from the link <https://evoting.karvy.com> or from the website of the Company [www.ftindia.com](http://www.ftindia.com).
11. If the proposed resolution is assented by a requisite majority, it shall be deemed to have been duly passed at a general meeting. The resolution will become effective on and from the date of announcement of result of the Postal Ballot by the Chairman or any Director of the Company. The date of declaration of postal ballot result will be taken to be the date of passing the Special Resolution.
12. The Special Resolution mentioned above shall be declared as passed if the numbers of votes cast in its favour are not less than three times the number of votes, if any, cast against the said Resolutions.
13. Members who have registered their e-mail ids for receipt of documents in electronic mode under the Green Initiative of the Ministry of Corporate Affairs are being sent Notice of Postal Ballot by e-mail and others are sent by post along with Postal Ballot Form and self-addressed postage pre-paid business reply envelope. A Member may request for a duplicate Postal Ballot Form from Company's Registrar & Share Transfer Agent:

Karvy Computershare Private Limited

(Unit: Financial Technologies (India) Limited)

Plot Nos. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad 500 081.

Tel: +91 40 44655000, Fax: +91 40 44655024, email: [einward.ris@karvy.com](mailto:einward.ris@karvy.com)

## ANNEXURE TO NOTICE

### **Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013:**

#### **(a) The nature of concern or interest, financial or otherwise, if any:**

None of the Directors of the Company are concerned or interested in the resolution, except to the extent of their shareholding in the Company and/or FT Group Investments Pvt. Ltd. (FTGIPL) through which the sale of shares of Bourse Africa Limited, Mauritius (BAL) will be carried out in terms of the Share Purchase Agreement and subject to approval of the Shareholder.

The key managerial personnel of the Company are not interested in the resolutions.

None of the relatives of the Directors and the key managerial personnel of the Company is interested in the resolutions, except to the extent of their shareholding if any, in the above mentioned investments/undertakings of the Company.

#### **(b) Any other information and facts to enable Members to understand the meaning, scope and implications of the items of business and to take decision thereon:**

Due to the event occurred on the trading platform of National Spot Exchange Limited (NSEL), one of the subsidiaries of your Company, the Forward Market Commission (FMC) declared the Company as 'not fit and proper' and SEBI also relying solely on FMC order, passed an order declaring FTIL 'not fit and proper' taking cognizance of FMC order. Both the Orders have been challenged by FTIL and the matter is *sub-judice*. Financial Services Commission, Mauritius ("FSC"), a regulator for Bourse Africa Limited, (BAL) Mauritius relying on FMC Order, declared FTIL as 'not fit and proper' vide its letter dated 21<sup>st</sup> April, 2014 and directed FTIL to dispose of its entire shareholding in BAL, Mauritius.

Without prejudice to the legal remedies available, the Board of FTIL decided to exit the Exchange businesses.

Accordingly, Moelis & Company was appointed as a Merchant Banker with mandate to sell the entire stake of BAL held by FT Group Investments Pvt. Ltd. (FTGIPL), a wholly owned subsidiary of the Company. The Company received a non-binding indication of interest for the acquisition of BAL by a Consortium comprising of, Pan African Capital Plc ("PACP"), First Heritage Business Corporation ("FHBC") and GMEX Technologies Ltd ("GMEX"). The Consortium will invest through Continental Africa Holdings Ltd. ("CAHL"). Mr. Christopher Goromonzi, one of the Directors of the non-operational Bourse Africa Botswana Limited, a WOS of FT Group Investments Pvt. Ltd. (FTGIPL), is also a part of consortium and Director on the Board of the Purchaser Company.

The Board of Directors of the Company at its meeting held on November 15, 2014 has, subject to the approval of members and other requisite approvals, if required, approved the sale of shares in BAL by FTGIPL.

FTGIPL has entered into a Share Purchase Agreement ("SPA") with Continental Africa Holdings Limited ("Purchaser") on November 17, 2014 for sale of its entire stake for a consideration of USD 40.50 million only, subject to fulfillment of certain terms and conditions of SPA.

The Company has intimated the Stock Exchanges about the sale of stake in BAL by FTGIPL, a wholly owned subsidiary of the Company.

Pursuant to the clause 49 of the Equity Listing Agreement w.e.f October 1, 2014, "No company shall dispose of shares in its material subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than 50% or cease the exercise of control over the subsidiary without passing a special resolution in its General Meeting" and "Selling, disposing and leasing of assets amounting to more than twenty percent of the material subsidiary shall require prior approval of shareholders by way of Special Resolution", hence the Board recommends the Special Resolution for approval of members.

By order of the Board  
For Financial Technologies (India) Limited

Date: 6<sup>th</sup> January 2015

Sd/-  
Hariraj Chouhan  
Vice President & Company Secretary