

Chairman's Message



Dear Stakeholders,

It is with great sense of pride that I present the Company's annual performance for the Financial Year 2021-22. The global economy emerged resilient by containing the pandemic despite three waves and multiple variants. As the global economy witnessed bullish equity markets during the year, rising inflation and monetary tightening, geo-political tensions and supply chain issues are emerging as new risks as we enter the new fiscal year. Indian economy witnessed significant growth in investments, made by households, in mutual funds and equities. The active participation by retail investors helped the mutual fund industry with strong inflows, supported by higher growth in the number of SIP registrations, and the equity market with the record number of addition of new de-mat accounts. We believe we are standing at the threshold of a period of great opportunity and growth.

Your company achieved historical growth both in terms of revenues and profitability with focus on technology-led innovation, new client wins, better investor service and client delivery. I feel proud of a major milestone in the history of the Company as Kotak Mahindra Bank Ltd acquired 9.98% equity stake in KFinTech. It establishes our efforts to maintain very high degree of corporate governance standards and recognises the hard work done by the Management and my fellow Directors on the Board in transforming the Company to attract a marquee financial institution as one of the shareholders of the Company.

I would also like to inform you that the Company, during the year, has prepaid its listed Non-Convertible Debentures in full and has become debt-free thereby maintaining strong free cash flows. It empowers the Company to continue to evaluate new acquisition targets for inorganic growth opportunities besides opening up new vistas for making investment in overseas business expansion to South-East Asia and beyond. Another major milestone achieved by your company during the year was 100% acquisition of Hexagram Fintech Private Limited that established its foray into fund accounting and administration platform to service asset managers, across geographies, as an integrated service provider with multi-asset, multi-currency, and multi-geographic service capabilities. The Company, during the year, continued to maintain its momentum on new client wins by winning two new RTA mandates from Bajaj Finserv Asset Management Ltd and FCSL Asset Management Ltd under the domestic mutual fund investor solutions segment besides adding new clients under international investor solutions, issuer solutions, alternative and wealth management, and pension services segments. All these achievements are proud testimony of relentless hard work undertaken by the employees of your company and reposes the faith that your company continues to be the market leader across most of its business segments it operates in. Your company is in the process of public listing and has filed the draft red-herring prospectus dated March 31, 2022. This will mark the beginning of a new era for KFINTECH and will further strengthen the governance standards and stakeholders' confidence in the Company.

Your company thrives to operate as a technology-centric organization and has made significant strides in creating industry's first and sector agnostic value-added products to provide better customer experience, enable operational efficiency and reduce total cost of operations for our clients. These products have been built on modern technology stack which are scalable, cloud ready and suitable for multi-geography. The Company now has 20 such value-added products, including three new launches in FY22, which generates revenues from cross-selling and up-selling.

Your company is committed to create long-term value to serve the best interest of all its stakeholders i.e. shareholders, customers, employees, Government and the society.

I can assure that, in the coming years, your company will continue to further strengthen its performance by investing in technology, business development, inorganic growth and the right talent besides ring fencing itself with strong governance, compliance and risk management practices.

On behalf of the Board of Directors, I would like to thank our Customers, Regulators, Government, Shareholders, Employees and Other Stakeholders for the continued confidence, trust and encouragement.

