



63 moons technologies limited
(formerly Financial Technologies (India) Limited)
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CIN - L29142TN1988PLC015586

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2019
PREPARED IN COMPLIANCE WITH THE INDIAN ACCOUNTING STANDARD (IND-AS)

(₹ in lakhs, except per equity share data)

Sr. No.	PARTICULARS	Quarter ended			Year Ended	
		31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
		Audited*	Unaudited	Audited*	Audited	Audited
	Income					
1	Operating Income					
	a) Revenue from Operations	3,293.46	3,978.88	3,042.09	14,582.45	22,543.48
	b) Other Operating Income	35.84	33.60	33.59	136.62	128.06
2	Other Income (net) (Refer Note 4)	4,288.17	4,257.85	4,882.30	16,007.73	20,167.08
3	Total Income (1+2)	7,617.47	8,270.33	7,957.98	30,726.80	42,838.62
4	Expenses					
	a) Employee benefits expense	2,524.15	2,674.15	2,547.18	10,519.34	10,054.03
	b) Legal and professional charges	2,527.29	2,264.19	1,525.26	8,591.05	6,653.64
	c) Net loss on foreign currency transactions and translations	(0.16)	374.38	43.92	1,182.90	73.25
	d) Depreciation and amortisation expense	464.68	455.80	499.80	1,811.89	2,216.30
	e) Finance costs	21.68	131.01	109.83	410.17	722.55
	f) Reclassification of fair value loss from OCI on investment	-	-	-	-	1,881.06
	g) Other expenses	2,664.04	1,348.10	1,680.48	6,088.47	6,106.84
	Total expenses	8,201.68	7,247.63	6,406.47	28,603.82	27,707.67
5	Profit / (Loss) before Exceptional items (3-4)	(584.21)	1,022.70	1,551.51	2,122.98	15,130.95
6	Exceptional items (Refer Note 5)	(525.46)	(3,143.25)	(3,145.92)	(1,027.13)	(8,157.58)
7	Profit (Loss) before tax (5+6)	(1,109.67)	(2,120.55)	(1,594.41)	1,095.85	6,973.37
8	Tax expense	(152.66)	512.70	130.58	1,086.59	5,335.61
9	Net Profit (Loss) for the period (7-8)	(957.01)	(2,633.25)	(1,724.99)	9.26	1,637.76
10	Other Comprehensive Income	59.81	(57.48)	45.33	(24.65)	1,501.59
11	Total Comprehensive Income (9+10)	(897.20)	(2,690.73)	(1,679.66)	(15.39)	3,139.35
12	Paid-up equity share capital (Face value ₹ 2/- per share)	921.57	921.57	921.57	921.57	921.57
13	Reserves excluding revaluation reserves				2,84,667.73	2,85,654.17
14	Earnings per share (Face Value ₹ 2/- per share)					
	Basic / Diluted (₹) (not annualised)	(2.08)	(5.71)	(3.74)	0.02	3.55

* Refer Note 17

Statement of assets and liabilities

(₹ in lakhs)

SR No	PARTICULARS	As at	As at	SR No	PARTICULARS	As at	As at
		31.03.2019	31.03.2018			31.03.2019	31.03.2018
		Audited	Audited			Audited	Audited
	ASSETS				EQUITY AND LIABILITIES		
	Non-current assets				Equity		
1	Property, Plant and Equipment	23,560.17	24,351.12	1	Equity Share capital	921.57	921.57
2	Capital work-in-progress	-	346.03	2	Other Equity	2,84,667.73	2,85,654.17
3	Investment Property	11,079.03	10,481.87		Total Equity	2,85,589.30	2,86,575.74
4	Other Intangible assets	464.65	158.76		LIABILITIES		
5	Financial Assets				Non-current liabilities		
	(i) Investments	1,03,612.44	1,09,683.20	1	Financial Liabilities		
	(ii) Loans	41.84	50.99		(i) Other financial liabilities	180.58	-
	(iii) Other Financial Assets	11,566.52	11,553.71	2	Other non-current liabilities	3.15	100.98
6	Deferred tax Assets (net)	128.34	261.81	3	Provisions	450.64	472.09
7	Other non-current assets	16,251.87	15,924.25		Total Non-current liabilities	634.37	573.07
	Total Non-current assets	1,66,704.86	1,72,811.74		Current liabilities		
	Current assets				Financial Liabilities		
1	Financial Assets			1	(i) Current Portion of Long Term Borrowings	-	10,114.36
	(i) Investments	15,808.85	61,352.34		(ii) Trade payables :		
	(ii) Trade receivables	2,628.30	2,064.07		Due to micro and small enterprises	63.26	20.41
	(iii) Cash and cash equivalents	1,173.26	42,411.22		Due to others	560.24	531.15
	(iv) Bank Balances other than (iii) above	96,395.90	14,300.37		(iii) Other financial liabilities	5,756.43	4,904.38
	(v) Loans	521.28	518.60		Other current liabilities	1,449.62	3,279.41
	(vi) Other Financial Assets	5,260.94	8,300.35		Provisions	418.58	342.41
2	Current tax assets (net)	1,272.56	374.16	2	Total current liabilities	8,248.13	19,192.12
3	Other current assets	4,705.85	4,208.08	3	Total equity and liabilities	2,94,471.80	3,06,340.93
	Total current assets	1,27,766.94	1,33,529.19				
	Total assets	2,94,471.80	3,06,340.93				



Notes:

1. These above financial results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on May 27, 2019.
2. The Board of Directors have recommended final dividend of ₹ 2 /- per equity share of face value of ₹ 2/- each on equity share capital of the Company subject to the approval of the shareholders at the ensuing Annual General Meeting of the company. The distribution of dividend is subject to appropriate Judicial order.
3. Effective April 01, 2018, the Company had adopted Ind AS 115 "Revenue from Contract with customers" by applying the cumulative catch-up effect method to all the contracts that were not completed as of April 01, 2018 and accordingly, the comparative information has not been restated. The adoption of the standard did not have any significant impact to the financial statements of the company.
4. Other Income consists of:

Particulars	Quarter ended			Year Ended	
	31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
(a) Change in fair valuation of Investments	160.50	177.44	278.41	570.26	548.84
(b) Interest Income	3,954.63	3,921.84	4,412.07	14,784.06	18,733.57
(c) Others (net)	173.04	158.57	191.82	653.41	884.67
	4,288.17	4,257.85	4,882.30	16,007.73	20,167.08

5. Exceptional item Consists of:

Particulars	Quarter ended			Year Ended	
	31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
(a) Allowance for expected credit loss on investment in subsidiaries	(975.46)	-	-	(1,477.13)	(6,311.66)
(b) Impairment of Bonds	-	-	(3,145.92)	-	(3,145.92)
(c) Net Gain on Sale of Equity Shares	-	-	-	-	1,300.00
(d) Reversal of write back of credit loss on loan given to subsidiary	450.00	(3,143.25)	-	450.00	-
	(525.46)	(3,143.25)	(3,145.92)	(1,027.13)	(8,157.58)

6. During the quarter ended June 2018, NSEL discharged its liability towards invocation Corporate Guarantee provided by the Company to a bank the extent of Principal amount of ₹ 3,143.25 lakhs, out of partial recovery of dues from NAFED for which corporate guarantee was provided. Since the amount was written off in the Company's book earlier, it was written back in quarter ended June 2018. Subsequently some parties have filed Notice of Motion and Contempt Petition before the Hon'ble Bombay High Court, wherein the Plaintiffs have wrongly alleged that NSEL and the Company are in contempt of court by having willfully and deliberately breached the Orders of the Court. By way of abundant caution and without prejudice to its rights, remedies and defenses in the said Notice of Motion and Contempt Petition or otherwise, the Company has, after due deliberations and consideration, returned the said amount of ₹ 3143.25 lakhs to NSEL in January 2019. Hence the earlier reversal carried out in the Quarter ended June 2018 has been reversed during the quarter ended December 2018.
7. The Company has investment in 11.50% Non-Convertible Debentures and 11.80% Non-Convertible Debentures issued by IL&FS Transportation Networks Ltd (ITNL) (subsidiary of Infrastructure Leasing & Finance Ltd – ILFS) amounting ₹ 10,000 Lakhs each (face value) which shall mature in June & December 2024 respectively. The debentures are secured by way of charge on certain assets of ITNL. The ILFS group has been facing severe liquidity crisis. The National Law Tribunal has allowed the government to supersede the board of ILFS and appoint its nominees. The new board has initiated the efforts under supervision of NCLT to monetise the assets of ILFS group companies to reduce their debts, outcome of which is awaited. The Company is monitoring developments and has filed application with NCLAT for seeking impleadment in matter of ILFS as financial creditor. In view of above, the Company is unable to estimate any allowance for expected credit loss for these investments. Further, ITNL has defaulted on half yearly interest payment which was due in January 2019 and hence on conservative basis, the Company



has estimated credit loss to the extent of 100% interest due till March 31, 2019 amounting to ₹ 1,618.27 lakhs and derecognised.

8. Hon'ble Bombay High Court passed an ad interim order inter alia restraining the Company from distributing any dividend or depositing the same in the dividend distribution account in accordance with the provisions of the Companies Act, 1956 (to be read as Companies Act, 2013) pending the final hearing and disposal of the Notice of Motion. This Notice of Motion was filed in one of the suits. In compliance to the said order, the Company has not distributed the final dividend for the financial year 2014-15 @ ₹ 5/- per share amounting to ₹ 2,303.93 lakhs, to the shareholders pursuant to the directions of the Hon'ble Bombay High Court and hence is not in default in compliance with the statutory provisions under the Companies Act, 2013. Further, the shareholders of the Company have approved final dividend for year 2016-17 and 2017-18 @ ₹ 2/- per share for each year, aggregating to ₹ 1,843.14 lakhs, subject to appropriate judicial order which is also pending for distribution to the shareholders due to aforesaid restrictions. All the Notice of Motions and the Contempt Petitions filed against the Company have been tagged together and pending for hearing.
9. The writ petition filed by the Company challenging the legality and propriety of the Forward Markets Commission's ('FMC') order on the Company inter alia declaring "not a fit & proper person" is pending for hearing before the Hon'ble Bombay High Court. Solely based on FMC order, SEBI and CERC declared not a fit and proper person to hold shares in recognized stock exchanges and power exchanges respectively. The Company has filed civil appeals before Hon'ble Supreme Court challenging the SEBI order and CERC order. Hon'ble Supreme Court disposed the civil appeal filed against SEBI order with direction to pursue FMC order before Hon'ble Bombay High Court along with liberty to move again Hon'ble Supreme Court in the event FMC order set aside. The civil appeal against CERC is pending for hearing.
10. On February 12, 2016, Ministry of Corporate Affairs ("MCA") passed a final order of amalgamation (Final Order) of National Spot Exchange Limited (NSEL) with the Company under Section 396 of the Companies Act, 1956. The Company had challenged the Final Order by way of a Writ Petition before the Hon'ble Bombay High Court, which was dismissed by the Hon'ble Bombay High Court by its order dated December 4, 2017. The Company filed a Special Leave Petition against the said order dated December 4, 2017 before the Hon'ble Supreme Court of India. The Hon'ble Supreme Court of India vide order dated April 30, 2019, was pleased to allow the appeal and set aside the order dated December 4, 2017 and was pleased to hold that the amalgamation order dated February 12, 2016 is ultra vires Section 396 of the Companies Act, and violative of Article 14 of the Constitution of India.
11. The Union of India, through the Ministry of Corporate Affairs ("MCA"), has filed the Company Petition inter alia under Sections 397 and 398 read with Section 388B, 388C, 401, 402, 403, 406 and 408 of the Companies Act, 1956 (the "Act") before the Principal Bench of the Company Law Board at New Delhi (the "CLB"), inter-alia seeking removal and supersession of the Board of Directors of the Company. Subsequently, the matter was transferred to NCLT, Chennai. The NCLT has as interim arrangement with consent formed a committee to consider sale of the assets of the Company pursuant to regulatory directions / requirements, treasury management and funding requirements of the subsidiaries ('Committee'). The NCLT vide its order dated June 4, 2018, rejected the prayer of the Union of India for removal and supersession of the entire Board of the Company and ordered MCA to nominate three directors on the board of the Company. The Company has preferred appeal before the NCLAT, Delhi, against the said NCLT order. The NCLAT was pleased to stay the NCLT order. As interim arrangement, while pending the appeal functioning of Committee is continued. The appeal is pending for hearing.
12. a) During the previous years, civil suits have been filed against the Company in relation to the counter party payment default occurred on the exchange platform of NSEL, wherein the Company has been made a party. In these proceedings certain reliefs have been claimed against the Company, inter-alia, on the ground that the Company is the holding company of NSEL. These matters are pending before the Hon'ble Bombay High Court for adjudication. The Company has denied all the claims and contentions in its reply. There is no privity of contract between the Company and the Plaintiffs therein. The management is of the view that the parties who have filed the Civil Suits would not be able to sustain any claim against the Company. The matters are pending for hearing before the Hon'ble Bombay High Court.



b) First Information Reports (FIRs) have been registered against various parties, including the Company, with the Economic Offences Wing, Mumbai (EOW) and Central Bureau of Investigation (CBI) in connection with the counter party payment default on NSEL trading platform. After investigation, EOW, Mumbai has presently filed 4 charge-sheets in the matter. The Company has been named in the charge sheet in December, 2018 copy of which was received by the Company in April, 2019. CBI has filed charge-sheets including against the Company for alleged loss caused to PEC Ltd. & MMTC Ltd. on NSEL platform and the case is pending for trial before the CBI court.

c) The CBI - EOW, has also registered an FIR which pertains to alleged conspiracy between the accused private persons and the named officials of Securities & Exchange Board of India (SEBI) in granting renewal of stock exchange license to MCX Stock Exchange Limited (MCX-SX) by SEBI in August 2010, by suppression of facts. There is no direct allegation against the Company in the FIR. Therefore, the Company has filed a petition before the Hon'ble Court for quashing of the said FIR against itself.

d) The CBI - EOW, has registered complaint against the Company along with certain officials of FMC, SEBI and other for giving illegal benefits to Multi Commodity Exchange of India Limited (MCX) and allowing MCX trading as private commodity exchange. The investigation in the matter is in progress.

13. a) The Company has filed a Writ Petition before the Bombay High Court challenging inter alia, the provisions of the MPID Act are violative of the Constitution and the notification dated September 21, 2016, attaching the assets of the Company under the provisions of the MPID. The matter is reserved for order.

b) The State Government under the MPID Act has attached several Bonds, bank accounts, investments, Fixed Deposits and ODIN software and its receivables of the Company vide gazette notifications dated April 04, 2018, April 07, 2018, April 11, 2018, April 17, 2018, April 19, 2018 May 15, 2018, September 19, 2018 and corrigendum dated September 27, 2018, the Competent Authority has filed Misc. Applications before the MPID Court to make absolute the attached properties mentioned in aforesaid gazette notifications. The Company has filed a writ petition before the Hon'ble Bombay High Court challenging the legality and validity of the aforesaid notifications. The Hon'ble Bombay High Court while admitting writ petition has granted stay to notifications. The writ petition is reserved for order.

14. The Enforcement Directorate('ED') has attached certain assets of the Company under the provisions of the Prevention of Money Laundering Act, 2002. The three Provisional Attachments Orders have been confirmed by the Adjudicating Authority. The Company has filed Appeals challenging the confirmation orders passed by the Adjudicating Authority, before the Hon'ble Appellate Tribunal. The Hon'ble Appellate Tribunal has granted status quo on orders passed by the Adjudicating Authority confirming three attachments. Matter is pending for hearing. The ED has filed a prosecution complaint before the Spl. PMLA Court against the Company and the same is pending for trial.

15. The Serious Frauds Investigation Office ('SFIO') published a Public Notice during December 2016 in a newspaper wherein it has been mentioned that the Central Government had directed the SFIO to investigate into the affairs of the Company. SFIO has concluded its investigation and filed report to Central Govt.

16. The Company has a total MAT credit entitlement of ₹ 8,950.29 lakhs as at March 31, 2019. The management of the Company is confident that the Company will be able to utilize unexpired MAT entitlement in future unexpired years.

17. The figures of the last quarter are the balancing figures between audited figures in respect of full Financial year and the published year to date figures up to the third quarter of the current Financial Year.

18. The Statutory Auditors vide their Independent Auditors Report dated May 27, 2019 issued the qualified opinion on the standalone audited financial results for the quarter and year ended March 31, 2019 and basis for qualified opinion and Management responses thereto are as under:-

Note no. 12, 13, 14 and 15 form basis for our qualified opinion. As stated by the Management of the Company in Note 12 to the Statement, Civil Suits have been filed against the Company in relation to event occurred on NSEL's trading platform. These matters are pending at various stages of adjudication. As stated



in the said note, the management of the Company does not foresee that the parties who have filed Civil Suits would be able to sustain any claim against the Company. In addition, as stated by the management in note 12, 13, 14 and 15 to the Statement, there are First Information Reports/ complaints/ letters/ orders/ notices registered/ received against various parties including the Company from/ with the Economic Offences Wing of the Mumbai Police (EOW), Central Bureau of Investigation (CBI), Government of Maharashtra under MPID Act the Directorate of Enforcement and the Serious Fraud Investigation Office (SFIO), Closure report, etc. Above matters are pending at various stages of adjudication/investigation.

In this regard, the Management and those charged with Governance have represented to us that other than as stated in the said notes to the Statement, there are no claims, litigations, potential settlements involving the Company directly or indirectly which require adjustments to/disclosures in the Statement and that the ability of the Company to carry out its day-to-day operations/activities is not seriously affected due to any such letters/ orders/ notices as aforesaid.

In the light of the above representations regarding the ongoing investigations and matters, the outcome of which is not known and is uncertain at this stage, we are unable to comment on the consequential impact in respect of the same on the results for the quarter and year ended 31 March 2019.

Management Response: Refer Note 12,13,14 and 15 above.

19. Statement of Consolidated audited financial results for the year ended March 31, 2019:

(₹ in lakhs)

STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2019			
Sr. No.	PARTICULARS	Year Ended	
		31.03.2019	31.03.2018
		Audited	Audited
1	Operating Income		
	a) Revenue from Operations	26,060.12	32,171.47
	b) Other Operating Income	52.93	53.61
2	Other Income (net) (Refer Note 21)	20,308.39	20,612.70
3	Total Income (1+2)	46,421.44	52,837.78
4	Expenses		
	a) Purchases of stock-in-trade	450.67	402.68
	b) Employee benefits expense	14,647.17	13,864.66
	c) Finance costs	440.36	969.88
	d) Legal and professional charges	12,338.15	11,557.51
	e) Net loss on foreign currency transactions and translations	1,251.69	98.93
	f) Depreciation and amortisation expense	2,602.52	2,995.35
	g) Reclassification of fair value loss from OCI on investment	-	1,881.06
	h) Other expenses	16,805.98	11,837.59
	Total expenses	48,536.54	43,607.66
5	Profit/ (loss) before Exceptional items (3-4)	(2,115.10)	9,230.12
6	Exceptional items (Refer Note 22)	(297.05)	(2,686.43)
7	Profit/ (loss) before tax (5+6)	(2,412.15)	6,543.69
8	Tax expense	1,132.65	5,356.90
9	Net Profit / (loss) after taxes, but before minority interest (7-8)	(3,544.80)	1,186.79
10	Minority Interest	(19.20)	(20.42)
11	Net Profit / (loss) after taxes, minority interest (9-10)	(3,525.60)	1,207.21
12	Other Comprehensive Income	(29.83)	2,084.61
13	Total Comprehensive Income (11+12)	(3,555.43)	3,291.82
14	Paid-up equity share capital (Face value ₹ 2/- per share)	921.57	921.57
15	Reserves excluding revaluation reserves	3,16,836.67	3,19,407.41
16	Earnings per share (Face Value ₹ 2/- per share)		
	(a) Basic / Diluted	(7.65)	2.62



20. Statement of Consolidated assets and liabilities :

(₹ in lakhs)

SR No	PARTICULARS	As at 31.03.2019	As at 31.03.2018	SR No	PARTICULARS	As at 31.03.2019	As at 31.03.2018
		Audited	Audited			Audited	Audited
	ASSETS				EQUITY AND LIABILITIES		
	Non-current assets				Equity		
1	Property, Plant and Equipment	25,027.69	25,601.10	1	Equity Share capital	921.57	921.57
2	Capital work-in-progress	-	346.03	2	Other Equity	3,16,836.67	3,19,407.41
3	Investment Properties	11,079.03	10,481.87	3	Non-controlling interests	188.01	207.21
4	Other Intangible assets	279.62	154.64		Total Equity	3,17,946.25	3,20,536.19
5	Financial Assets				LIABILITIES		
i)	Investments	84,392.57	89,983.54		Non-current liabilities		
ii)	Loans	56.28	71.08	1	Financial liabilities		
iii)	Other Financial Assets	22,139.87	12,470.90	i)	Borrowings	256.55	-
6	Deferred tax assets	89.69	213.56	ii)	Other financial liabilities	180.58	-
7	Other non-current assets	19,815.20	18,840.59	2	Provisions	596.54	590.06
	Total Non-current assets	1,62,879.95	1,58,163.31	3	Other long term liabilities	7.24	131.06
	Current assets				Total Non-current liabilities	1,040.91	721.12
1	Inventories	1.40	8.30		Current liabilities		
2	Financial Assets			1	Financial liabilities		
i)	Investments	17,232.58	64,210.90	i)	Borrowings	176.70	10,114.36
ii)	Trade receivables	7,013.91	4,479.72	ii)	Trade payables		
iii)	Cash and cash equivalents	16,978.27	59,892.45		Due to micro and small enterprise	70.12	24.82
iv)	Bank Balances other than (iii) above	96,531.54	20,106.77		Due to others	4,660.09	3,873.90
v)	Loans	505.27	545.65	iii)	Other financial liabilities	16,262.99	16,515.18
vi)	Other Financial Assets	30,589.32	43,168.13	2	Provisions	557.57	450.43
3	Current Tax Assets (Net)	1,284.94	399.02	3	Other current liabilities	5,016.82	6,877.12
4	Other current assets	12,714.27	8,138.87		Total current liabilities	26,744.29	37,855.81
	Total current assets	1,82,851.50	2,00,949.81				
	Total assets	3,45,731.45	3,59,113.12		Total equity and liabilities	3,45,731.45	3,59,113.12

21. Other Income of consolidated financial statements consist of:

(₹ in lakhs)

Particulars	Year ended	
	31.03.2019	31.03.2018
(a) Change in fair valuation of Investments	825.86	738.16
(b) Dividend income	0.09	4.56
(c) Interest Income	15,281.99	19,104.76
(d) Others (net)	4,200.45	765.22
	20,308.39	20,612.70

22. Exceptional item Consists of:

(₹ in lakhs)

Particulars	Year ended	
	31.03.2019	31.03.2018
(a) Impairment of Bonds	-	(3,145.92)
(b) Net Gain on Sale of Shares	(297.05)	459.49
	(297.05)	(2,686.43)

23. Consolidated Segment wise Revenues and Results:

(₹ in lakhs)

CONSOLIDATED SEGMENTWISE REVENUE AND RESULTS			
Sr. No.	Particulars	Year ended	
		31.03.2019	31.03.2018
1	Segment Revenue :		
	STP Technologies / Solutions	25,061.66	30,962.54
	Others	1,594.12	1,583.79
	Total	26,655.78	32,546.33
	Less: Inter segment Revenue	307.07	321.25
	Net Sales /Income From Operations	26,348.71	32,225.08
2	Segment Results :		
	STP Technologies / Solutions	5,230.20	12,526.21
	Others	(6,411.93)	(8,065.42)
	Total	(1,181.73)	4,460.79
	Less: Eliminations	63.72	4,834.98
	Net Segment Results	(1,118.01)	9,295.77
	Less: Finance Cost	440.36	969.88
	Add : Unallocable Income	20,308.39	20,612.70
	Less: Unallocable Expenses	20,865.12	19,708.47
	Add: Exceptional Item	(297.05)	(2,686.43)
	Profit / (loss) before tax	(2,412.15)	6,543.69



Notes:

- a) Segments have been identified in accordance with the Ind AS 17 "Segment Reporting" considering the organization structure and the return/risk profiles of the business.
 - b) STP Technologies / Solutions segment represents straight through processing solutions and includes an integrated mix of various products, projects and activities incidental thereto. Other segment represents trading, procurement, process management, risk consultancy activities, Shared Business Support Services, IT Infrastructure Sharing, NBFC related activities, trading platform for multi assets class, and internet telecommunication services.
 - c) Due to diversified nature of business, significant assets are interchangeably used between segments and the management believes that it is currently not practicable to provide segment disclosure relating to capital employed since a meaningful segregation is not possible.
24. The Statutory Auditors vide their Independent Auditors Report dated May 27, 2019 issued the qualified opinion on the Consolidated Audited Financial results for the year ended March 31, 2019 and basis for qualified opinion thereto are as disclosed:-
- I. Basis for Qualifications pertaining to the Company and management response thereto, Refer Note no 18 above.
 - II. Basis for qualified opinion by the independent auditors of NSEL vide their audit report on the consolidated financial statements (CFS) of NSEL, are given as under, stating that as stated in the notes of consolidated financial statements of NSEL:
 - a) NSEL has been served with notices/letters/summons from various statutory authorities/regulators/government departments and some purported aggrieved parties, pertaining to the period prior to suspension of the exchange related operations from 31st July 2013. There are some writ petitions, public interest litigations, civil suits including in representative capacity filed by and against the Company. Such matters against the Company are sub-judice before different forums. The Group may be exposed to civil/criminal liabilities in case of any adverse outcome of these investigations/enquiries or legal cases or any other investigations as referred above enquires or suits which may arise at a later date.

In the light of the above, the outcome of which is not presently known and is uncertain at this stage, hence we are not able to comment on the current or consequential impact if any, in respect of the same on these Consolidated IndAS Financial Statements. Also, the matters stated above could also have a consequential impact on the measurement and disclosure of information provided, but not limited to, Balance Sheet, Statement of profit/(loss) account, cash flow, statement statement of change in equity (SOCIE) and earnings per share (EPS) for the year ended and as at 31 March, 2019 in these Consolidated Ind AS Financial Statements."

NSEL Management Response:

Investigating agencies are investigating genuineness of the warehouse receipts issued by the Exchange as well as the frauds perpetrated by the erstwhile senior officials of the Exchange. The Government by Gazette Notification SO 2529(E) dated September 19, 2014 has withdrawn the Gazette Notification SO 906(E) dated June 05, 2007 (by which the Company was granted exemption under Section 27 of the FCR Act, 1952 for trading of forward contracts of one day duration) with immediate effect and consequently the notification SO 228(E) dated February 06, 2012 and notification SO 2406(E) dated August 06, 2013 ceased to be in force w.e.f. September 19, 2014, as informed to the Company by the FMC vide letter dated November 05, 2014. As the reply to the said SCN has been given and actions, if any, required due to SCN has been taken, including withdrawal of the exemption itself, the Company do not foresee any further consequences on the SCN. FMC /Ministry of Consumer Affairs has not adjudicated the SCN issued to NSEL for violation of the conditions of the exemption notification dated June 05, 2007, which was the subject matter of the SCN. All contracts traded on the Exchange platform were proper and in consonance with applicable laws, exemption notifications and there were no violations in this regard. The Company had obtained a legal opinion on the legality of the contracts traded by the members on the exchange



platform. The Company is taking all steps to defend its position, however since all matters are sub-judice, the Company is unable to quantify the impact, if any, of such legal proceedings on the financial statements of the Company.

In case of provision for impairment of Financial assets relating to amounts to be recovered from defaulting members, NSEL has secured decrees/ Arbitration Award worth ₹ 3,365 Crores and has initiated execution proceedings against the Defaulting members to recover Decretal amounts. Further, the High Court Committee has crystalized the liability to the tune of ₹ 868.25 crores of defaulting members. The said reports will be converted into the decree once the same are accepted by the High Court.

- b) The trade receivables, other receivables, loans and advances and deposits are subject to confirmation and reconciliation. The management, however, does not expect any material changes on account of such reconciliation/ confirmation from parties. In many cases legal notices have been sent to the parties in earlier years; however we are unable to form any opinion on the recoverability of the outstanding balances of such parties.

NSEL Management Response:

The Majority in value of the trade and other receivables, loans and advances etc. are under litigation/subject to court orders. Company has already made provision for the majority of the value or disclosed the reason for non-provisioning. Company is making full efforts for recovery of the amount.

25. Previous year/period figures have been regrouped/reclassified, wherever necessary, to conform to current period's presentation.

For 63 moons technologies limited
(formerly Financial Technologies (India) Limited)



S Rajendran

Managing Director & CEO
DIN- 02686150

Place : Mumbai

Date : May 27, 2019

Corporate Office: FT Tower, CTS No 256-257, Suren Road, Chakala, Andheri (East), Mumbai – 400093



To,
The Board of Directors,
63 moons technologies limited
Corporate office:
FT Tower, CTS no. 256 & 257,
Suren Road, Chakala,
Andheri (East),
Mumbai 400 093

Dear Sirs,

Sub: Independent Auditor's Report on Standalone Financial Results of 63 moons technologies limited for the quarter and year ended 31 March 2019

Introduction

1. We have audited the accompanying statement of standalone financial results of 63 moons technologies limited ('the Company'), for the quarter and year ended 31 March 2019 ('the statement'), being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015, as amended ('SEBI Regulation 2015'). This statement, which is the responsibility of the Company's Management and has been approved by the Board of Directors on 27 May 2019. The Statement has been prepared on the basis of related standalone financial statements which is in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.

Scope of Audit

2. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Statement.



Basis for Qualified Opinion

3. Note no. 12, 13, 14 and 15 form basis for our qualified opinion. As stated by the Management of the Company in Note 12 to the Statement, Civil Suits have been filed against the Company in relation to event occurred on NSEL's trading platform. These matters are pending at various stages of adjudication. As stated in the said note, the management of the Company does not foresee that the parties who have filed Civil Suits would be able to sustain any claim against the Company. In addition, as stated by the management in note 12, 13, 14 and 15 to the Statement, there are First Information Reports/ complaints/ letters/ orders/ notices registered/ received against various parties including the Company from/ with the Economic Offences Wing of the Mumbai Police (EOW), Central Bureau of Investigation (CBI), Home Department - Government of Maharashtra under MPID Act, the Directorate of Enforcement and the Serious Fraud Investigation Office (SFIO), Closure report, etc. Above matters are pending at various stages of adjudication/investigation.

In this regard, the Management and those charged with Governance have represented to us that other than as stated in the said notes to the Statement, there are no claims, litigations, potential settlements involving the Company directly or indirectly which require adjustments to/disclosures in the Statement and that the ability of the Company to carry out its day-to-day operations/activities is not seriously affected due to any such letters/ orders/ notices as aforesaid.

In the light of the above representations regarding the ongoing investigations and matters, the outcome of which is not known and is uncertain at this stage, we are unable to comment on the consequential impact in respect of the same on the results for the quarter and year ended 31 March 2019.

Qualified Opinion

4. Except for the possible effects of the matter specified under 'Basis for Qualified Opinion', and based on our audit conducted as stated above, in our opinion and to the best of our information and according to the explanations given to us, the Statement:
- a) is presented in accordance with the requirements of the Regulation 33 of SEBI Regulation, 2015; and
 - b) gives true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India of the financial performance including other comprehensive income and other financial Information of the Company for the quarter and year ended 31 March 2019.

Emphasis of Matter

5. We draw attention to Note 11 to the Statement. Government of India has filed the Company Petition before the Principal Bench of the Company Law Board, under the Companies Act, 1956, seeking inter alia removal and supersession of the Board of Directors of the Company. The matter is pending before National Company Law Appellate Tribunal ("NCLAT") and is currently sub-judice.
6. We draw attention to Note 16 to the Statement, regarding utilisation of unexpired MAT credit entitlement by the Company. The Company has a total MAT credit entitlement of Rs. 8,950 Lakhs as at 31 March 2019. Based on the projections made by the Company's management regarding income-tax liability of the Company, Management is of the view that the Company will be able to utilise the unexpired MAT credit entitlement in eligible projected years.

Our opinion is not qualified in respect of these matters of emphasis.



Other matter

7. The Statement includes results for the quarter ended 31 March 2019, being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to nine months ended 31 December 2018 of the current financial year which was subjected to limited review by us.

Our opinion is not qualified in respect of these other matter.

For Sharp & Tannan Associates
Chartered Accountants
Firm's registration no. 109983W
by the hand of



Tirtharaj Khot
Partner

Membership No.(F) 037457

Mumbai, 27 May 2019

To,
The Board of Directors,
63 moons technologies limited
Corporate office:
FT Tower, CTS no. 256 & 257,
Suren Road, Chakala,
Andheri (East),
Mumbai 400 093

Dear Sirs,

Sub: Independent Auditors' Report on Consolidated Financial Results of 63 moons technologies limited for the year ended 31 March 2019

Introduction

1. We have audited the accompanying statement of consolidated financial results of 63 moons technologies limited ('the Holding Company'), its subsidiaries (together referred to as 'the Group'), for the year ended 31 March 2019 ('the statement'), being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015, as amended ('SEBI Regulation 2015'). This Statement, which is the responsibility of the Holding Company's Management and is approved by the Board of Directors on 27 May 2019. The statement has been prepared on the basis of related consolidated financial statements, which is in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.

Scope of Audit

2. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Statement.



Basis for Qualified Opinion

3. Note no. 12, 13, 14 and 15 form basis for our qualified opinion. As stated by the Management of the Company in Note 12 to the Statement, Civil Suits have been filed against the Company in relation to event occurred on NSEL's trading platform. These matters are pending at various stages of adjudication. As stated in the said note, the management of the Company does not foresee that the parties who have filed Civil Suits would be able to sustain any claim against the Company. In addition, as stated by the management in note 12, 13, 14 and 15 to the Statement, there are First Information Reports/ complaints/ letters/ orders/ notices registered/ received against various parties including the Company from/ with the Economic Offences Wing of the Mumbai Police (EOW), Central Bureau of Investigation (CBI), Home Department - Government of Maharashtra under MPID Act and the Directorate of Enforcement and the Serious Fraud Investigation Office (SFIO), Closure report, etc. Above matters are pending at various stages of adjudication/investigation.

In this regard, the Management and those charged with Governance have represented to us that other than as stated in the said notes to the Statement, there are no claims, litigations, potential settlements involving the Company directly or indirectly which require adjustments to/disclosures in the Statement and that the ability of the Company to carry out its day-to-day operations/activities is not seriously affected due to any such order/ notice as aforesaid.

In the light of the above representations regarding the ongoing investigations and matters, the outcome of which is not known and is uncertain at this stage, we are unable to comment on the consequential impact in respect of the same on the results for the year ended 31 March 2019.

4. We reproduce hereunder the 'Basis for Qualified Opinion' issued by the independent auditor(s) of a subsidiary viz. National Spot Exchange Limited ('NSEL') vide their audit report on the consolidated Ind AS financial statement of NSEL, to the extent the same are found significant as per the Guidance issued by the Institute of Chartered Accountants of India, from time to time and which also forms the basis for qualified opinion in our audit report on the accompanying Statement of the Group:

- a) "As stated in note nos. 63, 68 and 70 to the Consolidated Ind AS Financial Statement, the Company has been served with notices/letters/summons from various statutory authorities/regulators/government departments and some purported aggrieved parties, pertaining to the period prior to suspension of the exchange related operations from 31st July 2013. There are some writ petitions, public interest litigations, civil suits including in representative capacity filed by and against the Company. Such matters against the Company are sub-judice before different forums. The Group may be exposed to civil/criminal liabilities in case of any adverse outcome of these investigations/enquiries or legal cases or any other investigations as referred above enquires or suits which may arise at a later date.

In the light of the above, the outcome of which is not presently known and is uncertain at this stage, hence we are not able to comment on the current or consequential impact if any, in respect of the same on these Consolidated IndAS Financial Statements. Also, the matters stated above could also have a consequential impact on the measurement and disclosure of information provided, but not limited to, Balance Sheet, Statement of profit/(loss) account, cash flow, statement statement of change in equity (SOCIE) and earnings per share (EPS) for the year ended and as at 31 March, 2019 in these Consolidated Ind AS Financial Statements."



- b) *"The trade receivables, other receivables, loans and advances and deposits are subject to confirmation and reconciliation. The management, however, does not expect any material changes on account of such reconciliation/ confirmation from parties. In many cases legal notices have been sent to the parties in earlier years; however we are unable to form any opinion on the recoverability of the outstanding balances of such parties."*

Qualified Opinion

5. Except for the possible effects of the matter specified under 'Basis for Qualified Opinion' and based on our audit conducted as stated above, In our opinion and to the best of our information and according to the explanations given to us, the Statement:
- a) include the results of the subsidiaries as given in the Annexure to this report;
 - b) is presented in accordance with the requirements of the Regulation 33 of SEBI Regulations, 2015; and
 - c) gives true and fair view in conformity with Ind AS and other accounting principles generally accepted in India of financial performance including the other comprehensive income and other financial Information of the Group for the year ended 31 March 2019.

Emphasis of Matter

6. We draw attention to Note 11 to the Statement. Government of India has filed the Company Petition before the Principal Bench of the Company Law Board, under the Companies Act, 1956, seeking inter alia removal and supersession of the Board of Directors of the Company. The matter is pending before National Company Law Appellate Tribunal ("NCLAT") and is currently sub-judice.
7. We draw attention to Note 16 to the Statement, regarding utilisation of unexpired MAT credit entitlement by the Company. The Company has a total MAT credit entitlement of Rs. 8,950 lakhs as at 31 March 2019. Based on the projections made by the Company's management regarding income-tax liability of the Company, Management is of the view that the Company will be able to utilise the unexpired MAT credit entitlement in eligible projected years.

Our opinion is not qualified in respect of these matters of emphasis.

Other matters

8. We did not audit the financial statements of twelve subsidiaries and consolidated financial statements of three subsidiaries included in the consolidated financial statements of the Group, whose financial statements/ consolidated financial statements reflect total assets of Rs. 73,548 lakhs and net assets of Rs. (38,345) lakhs as at 31 March 2019; as well as the total revenue of Rs. 16,972 lakhs and net cash flow amounting to Rs.(2,567) lakhs for the year then ended.

These Ind AS financial statements/consolidated Ind AS financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion on the accompanying Statement, to the extent they have been derived from such Ind AS financial statements/consolidated Ind AS financial statements is based solely on the report of such auditors.



9. Certain subsidiaries are located outside India and their financial statements/ consolidated financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of these subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of these subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion is not qualified in respect of these other matters.

For Sharp & Tannan Associates
Chartered Accountants

Firm's registration no. 109983W
by the hand of



Tirtharaj Khot
Partner

Membership no. (F) 037457

Mumbai, 27 May 2019

Annexure to the Independent Auditors' Report on Consolidated Financial Results of 63 moons technologies limited for the year ended 31 March 2019

Sr. no.	Name of Subsidiaries	Domestic / Foreign Company
1.	atom Technologies Limited (atom)	Domestic
	Adyana Solutions Pvt Ltd (subsidiary of atom w.e.f. May 9, 2016)	Domestic
2.	Ticker Plant Limited (Ticker Plant)	Domestic
3.	Financial Technologies Communications Limited (FTCL)	Domestic
4.	Credit Market Services Limited (CMSL)	Domestic
5.	Apian Finance & Investment Limited (Apian)	Domestic
6.	FT Projects Limited. (FTPL)	Domestic
7.	Riskraft Consulting Limited (Riskraft)	Domestic
8.	Global Payment Networks Limited (GPNL)	Domestic
9.	FT Knowledge Management Company Limited (FTKMCL)	Domestic
10.	IBS Forex Limited (IBS)	Domestic
11.	Knowledge Assets Pvt. Limited (KAPL)	Foreign
12.	National Spot Exchange Limited (NSEL)	Domestic
	Indian Bullion Market Association Limited (IBMA) (subsidiary of NSEL)	Domestic
	Farmer Agricultural Integrated Development Alliance Limited (FAIDA) (subsidiary of NSEL)	Domestic
	Westernghats Agro Growers Company Limited (WGAGL) (subsidiary of NSEL)	Domestic
13.	FT Group Investments Pvt. Limited. (FTGIPL)	Foreign
	Bourse Africa (Bostwana) Limited (BABL) (under liquidation)	Foreign
	Bourse Africa Limited (BAL) (subsidiary of FTGIPL) (under liquidation)	Foreign
	Bourse Africa Clear Limited (BACL) (subsidiary of BAL) (under liquidation)	Foreign
	Financial Technologies Middle East DMCC (FTME) (subsidiary of FTGIPL)	Foreign
	Bahrain Financial Exchange BSC - (BFX) (subsidiary of FTGIPL, liquidated w.e.f 23 Oct,2018)	Foreign
	BFX Clearing & Depository Corporation BSC (c) (subsidiary of BFX, liquidated w.e.f 08 Aug,2018)	Foreign
14	Financial Technologies Singapore Pte Limited (FTSPL)	Foreign
15	ICX Platform (Pty) Limited (ICX)	Foreign



Statement on Impact of Audit Qualifications on Annual Standalone Audited Financial Results for year ended March 31, 2019

STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019				
			₹ lakhs	
I.	Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Total income	30,726.80	30,726.80
	2.	Total Expenses	28,603.82	28,603.82
	3.	Exceptional items	(1,027.13)	(1,027.13)
	4.	Net Profit/(Loss)	9.26	9.26
	5.	Earnings Per Share	0.02	0.02
	6.	Total Assets	2,94,471.80	2,94,471.80
	7.	Total Liabilities	8,882.50	8,882.50
	8.	Net Worth	2,85,441.71	2,85,441.71
II.	Audit Qualification:			
A.	Qualification			
	Basis for Qualifications pertaining to the Company and management response thereto :			
1	<p>Note no. 12, 13, 14 and 15 form basis for our qualified opinion. As stated by the Management of the Company in Note 12 to the Statement, Civil Suits have been filed against the Company in relation to event occurred on NSEL's trading platform. These matters are pending at various stages of adjudication. As stated in the said note, the management of the Company does not foresee that the parties who have filed Civil Suits would be able to sustain any claim against the Company. In addition, as stated by the management in note 12, 13, 14 and 15 to the Statement, there are First Information Reports/ complaints/ letters/ orders/ notices registered/ received against various parties including the Company from/ with the Economic Offences Wing of the Mumbai Police (EOW), Central Bureau of Investigation (CBI), Government of Maharashtra under MPID Act the Directorate of Enforcement and the Serious Fraud Investigation Office (SFIO), Closure report, etc. Above matters are pending at various stages of adjudication/investigation.</p> <p>In this regard, the Management and those charged with Governance have represented to us that other than as stated in the said notes to the Statement, there are no claims, litigations, potential settlements involving the Company directly or indirectly which require</p>			



63 moons technologies limited

(Formerly Financial Technologies (India) Ltd.)

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

T: +91 22 66868010 | F: +91 22 66868050 | E: info@63moons.com | W: www.63moons.com

Registered Office: Shakti Tower - 1, 7th floor, Premises E, 766, Anna Salai, Thousand Lights, Chennai - 600 002.

T: +91 44 4395 0850 | F: +91 44 4395 0899 | CIN No.: L29142TN1988PLC015586

	<p>adjustments to/disclosures in the Statement and that the ability of the Company to carry out its day-to-day operations/activities is not seriously affected due to any such letters/orders/ notices as aforesaid.</p> <p>In the light of the above representations regarding the ongoing investigations and matters, the outcome of which is not known and is uncertain at this stage, we are unable to comment on the consequential impact in respect of the same on the results for the quarter and year ended 31 March 2019.</p>
B.	Type of Audit Qualification:
	Qualified Opinion
C.	Frequency of observation
	Qualification stated in paragraphs A 1 - since year 2012-13.
D.	For Audit Qualification(s) where the impact is not quantified by the auditor:
(i)	Management's reason for unable to estimation on the impact of audit qualification
	<p>For qualification referred in Sr. No. A 1 above,</p> <p>a. During the previous years, civil suits have been filed against the Company in relation to the counter party payment default occurred on the exchange platform of NSEL, wherein the Company has been made a party. In these proceedings certain reliefs have been claimed against the Company, inter-alia, on the ground that the Company is the holding company of NSEL. These matters are pending before the Hon'ble Bombay High Court for adjudication. The Company has denied all the claims and contentions in its reply. There is no privity of contract between the Company and the Plaintiffs therein. The management is of the view that the parties who have filed the Civil Suits would not be able to sustain any claim against the Company. The matters are pending for hearing before the Hon'ble Bombay High Court.</p> <p>First Information Reports (FIRs) have been registered against various parties, including the Company, with the Economic Offences Wing, Mumbai (EOW) and Central Bureau of Investigation (CBI) in connection with the counter party payment default on NSEL trading platform. After investigation, EOW, Mumbai has presently filed 4 charge-sheets in the matter. The Company has been named in the charge sheet in December, 2018 copy of which was received by the Company in April, 2019. CBI has filed charge-sheets including against the Company for alleged loss caused to PEC Ltd. & MMTC Ltd. on NSEL platform and the case is pending for trial before the CBI court.</p>



The CBI - EOW, has also registered an FIR which pertains to alleged conspiracy between the accused private persons and the named officials of Securities & Exchange Board of India (SEBI) in granting renewal of stock exchange license to MCX Stock Exchange Limited (MCX-SX) by SEBI in August 2010, by suppression of facts. There is no direct allegation against the Company in the FIR. Therefore, the Company has filed a petition before the Hon'ble Court for quashing of the said FIR against itself.

The CBI - EOW, has registered complaint against the Company along with certain officials of FMC, SEBI and other for giving illegal benefits to Multi Commodity Exchange of India Limited (MCX) and allowing MCX trading as private commodity exchange. The investigation in the matter is in progress.

- b. The Company has filed a Writ Petition before the Bombay High Court challenging inter alia, the provisions of the MPID act are violative of the Constitution and the notification dated September 21, 2016, attaching the assets of the Company under the provisions of the MPID. The matter is reserved for order.

The State Government under the MPID Act has attached several Bonds, bank accounts, investments, Fixed Deposits and ODIN software and its receivables of the Company vide gazette notifications dated April 04, 2018, April 07, 2018, April 11, 2018, April 17, 2018, April 19, 2018 May 15, 2018, September 19, 2018 and corrigendum dated September 27, 2018, the Competent Authority has filed Misc. Applications before the MPID Court to make absolute the attached properties mentioned in aforesaid gazette notifications. The Company has filed a writ petition before the Hon'ble Bombay High Court challenging the legality and validity of the aforesaid notifications. The Hon'ble Bombay High Court while admitting writ petition has granted stay to notifications. The writ petition is reserved for order.

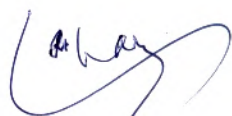
- c. The Enforcement Directorate('ED') has attached certain assets of the Company under the provisions of the Prevention of Money Laundering Act, 2002. The three Provisional Attachments Orders have been confirmed by the Adjudicating Authority. The Company has filed Appeals challenging the confirmation orders passed by the Adjudicating Authority, before the Hon'ble Appellate Tribunal. The Hon'ble Appellate Tribunal has granted status quo on orders passed by the Adjudicating Authority confirming three attachments. Matter is pending for hearing. The ED has filed a prosecution complaint before the Spl. PMLA Court against the Company and the same is pending for trial.

- d. The Serious Frauds Investigation Office ('SFIO') published a Public Notice during



	<p>December 2016 in a newspaper wherein it has been mentioned that the Central Government had directed the SFIO to investigate into the affairs of the Company. SFIO has concluded its investigation and filed report to Central Govt.</p> <p>In the light of the above ongoing investigations and matters, the outcome of which is not known and is uncertain at this stage, we are unable to quantify the impact.</p>
(ii)	Auditors' Comments :
	Quantification is not possible.

For 63 moons technologies limited
(formerly Financial Technologies (India) Limited)



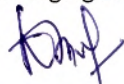
Venkat R Chary

Chairman – Board of Directors and Audit Committee



S. Rajendran

Managing Director & CEO



Devendra Agrawal

Whole Time Director & CFO

In terms of our Report issued under Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015.

For Sharp & Tannan Associates
Chartered Accountants
(Firm Registration No. 109983W)



Tirtharaj Khot

Partner

(Membership No. (F) 037457)

Place : Mumbai

Date : May 27, 2019.



Statement on Impact of Audit Qualifications on Annual Consolidated Audited Financial Results for year ended March 31, 2019.

STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019.				
			₹ lakhs	
I.	Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Total income	46,421.44	46,421.44
	2.	Total Expenses	48,536.54	48,536.54
	3.	Exceptional items	(297.05)	(297.05)
	4.	Net Profit/(Loss)	(3,525.60)	(3,525.60)
	5.	Earnings Per Share	(7.65)	(7.65)
	6.	Total Assets	345,731.45	345,731.45
	7.	Total Liabilities	27,785.20	27,785.20
	8.	Net Worth	317,610.65	317,610.65
II.	Audit Qualification:			
A.	Qualification			
	Basis for Qualifications pertaining to the Company and management response thereto :			
1	Note no. 12, 13, 14 and 15 form basis for our qualified opinion. As stated by the Management of the Company in Note 12 to the Statement, Civil Suits have been filed against the Company in relation to event occurred on NSEL's trading platform. These matters are pending at various stages of adjudication. As stated in the said note, the management of the Company does not foresee that the parties who have filed Civil Suits would be able to sustain any claim against the Company. In addition, as stated by the management in note 12, 13, 14 and 15 to the Statement, there are First Information Reports/ complaints/ letters/ orders/ notices registered/ received against various parties including the Company from/ with the Economic Offences Wing of the Mumbai Police (EOW), Central Bureau of Investigation (CBI), Government of Maharashtra under MPID Act the Directorate of Enforcement and the Serious Fraud Investigation Office (SFIO), Closure report, etc. Above matters are pending at various stages of adjudication/investigation.			

63 moons technologies limited

(Formerly Financial Technologies (India) Ltd.)

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

T: +91 22 66868010 | F: +91 22 66868050 | E: info@63moons.com | W: www.63moons.com

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	<p>In this regard, the Management and those charged with Governance have represented to us that other than as stated in the said notes to the Statement, there are no claims, litigations, potential settlements involving the Company directly or indirectly which require adjustments to/disclosures in the Statement and that the ability of the Company to carry out its day-to-day operations/activities is not seriously affected due to any such letters/orders/ notices as aforesaid.</p> <p>In the light of the above representations regarding the ongoing investigations and matters, the outcome of which is not known and is uncertain at this stage, we are unable to comment on the consequential impact in respect of the same on the results for the quarter and year ended 31 March 2019.</p>
2	<p>We reproduce hereunder the 'Basis for Qualified Opinion' issued by the independent auditor(s) of a subsidiary viz. National Spot Exchange Limited ('NSEL') vide their audit report on the consolidated Ind AS financial statement of NSEL, to the extent the same are found significant as per the Guidance issued by the Institute of Chartered Accountants of India, from time to time and which also forms the basis for qualified opinion in our audit report on the accompanying Statement of the Group:</p>
	<p>(a) "As stated in note nos. 63, 68 and 70 to the Consolidated Ind AS Financial Statement, the Company has been served with notices/letters/summons from various statutory authorities/regulators/government departments and some purported aggrieved parties, pertaining to the period prior to suspension of the exchange related operations from 31st July 2013. There are some writ petitions, public interest litigations, civil suits including in representative capacity filed by and against the Company. Such matters against the Company are sub-judice before different forums. The Group may be exposed to civil/criminal liabilities in case of any adverse outcome of these investigations/enquiries or legal cases or any other investigations as referred above enquires or suits which may arise at a later date.</p> <p>In the light of the above, the outcome of which is not presently known and is uncertain at this stage, hence we are not able to comment on the current or consequential impact if any, in respect of the same on these Consolidated IndAS Financial Statements. Also, the matters stated above could also have a consequential impact on the measurement and disclosure of information provided, but not limited to, Balance Sheet, Statement of profit/(loss) account,</p>



	<p>cash flow, statement statement of change in equity (SOCIE) and earnings per share (EPS) for the year ended and as at 31 March, 2019 in these Consolidated Ind AS Financial Statements".</p> <p>(b) "The trade receivables, other receivables, loans and advances and deposits are subject to confirmation and reconciliation. The management, however, does not expect any material changes on account of such reconciliation/ confirmation from parties. However, the balance between NSEL & IBMA in respect of exchange operation are subject to reconciliation. In many cases legal notices have been sent to the parties; however we are unable to form any opinion on the recoverability of the outstanding balances of such parties."</p>
B.	Type of Audit Qualification:
	Qualified Opinion
C.	Frequency of observation
	Qualification stated in paragraphs A1, A2(a), A2(b) above – since year 2012-13.
D.	For Audit Qualification(s) where the impact is not quantified by the auditor:
(i)	Management's reason for unable to estimation on the impact of audit qualification
	<p>1) For qualification referred in Sr. No. A 1 above,</p> <p>a) During the previous years, civil suits have been filed against the Company in relation to the counter party payment default occurred on the exchange platform of NSEL, wherein the Company has been made a party. In these proceedings certain reliefs have been claimed against the Company, inter-alia, on the ground that the Company is the holding company of NSEL. These matters are pending before the Hon'ble Bombay High Court for adjudication. The Company has denied all the claims and contentions in its reply. There is no privity of contract between the Company and the Plaintiffs therein. The management is of the view that the parties who have filed the Civil Suits would not be able to sustain any claim against the Company. The matters are pending for hearing before the Hon'ble Bombay High Court.</p> <p>First Information Reports (FIRs) have been registered against various parties, including</p>



the Company, with the Economic Offences Wing, Mumbai (EOW) and Central Bureau of Investigation (CBI) in connection with the counter party payment default on NSEL trading platform. After investigation, EOW, Mumbai has presently filed 4 charge-sheets in the matter. The Company has been named in the charge sheet in December, 2018 copy of which was received by the Company in April, 2019. CBI has filed charge-sheets including against the Company for alleged loss caused to PEC Ltd. & MMTC Ltd. on NSEL platform and the case is pending for trial before the CBI court.

The CBI - EOW, has also registered an FIR which pertains to alleged conspiracy between the accused private persons and the named officials of Securities & Exchange Board of India (SEBI) in granting renewal of stock exchange license to MCX Stock Exchange Limited (MCX-SX) by SEBI in August 2010, by suppression of facts. There is no direct allegation against the Company in the FIR. Therefore, the Company has filed a petition before the Hon'ble Court for quashing of the said FIR against itself.

The CBI - EOW, has registered complaint against the Company along with certain officials of FMC, SEBI and other for giving illegal benefits to Multi Commodity Exchange of India Limited (MCX) and allowing MCX trading as private commodity exchange. The investigation in the matter is in progress.

- b) The Company has filed a Writ Petition before the Bombay High Court challenging inter alia, the provisions of the MPID act are violative of the Constitution and the notification dated September 21, 2016, attaching the assets of the Company under the provisions of the MPID. The matter is reserved for order.

The State Government under the MPID Act has attached several Bonds, bank accounts, investments, Fixed Deposits and ODIN software and its receivables of the Company vide gazette notifications dated April 04, 2018, April 07, 2018, April 11, 2018, April 17, 2018, April 19, 2018 May 15, 2018, September 19, 2018 and corrigendum dated September 27, 2018, the Competent Authority has filed Misc. Applications before the MPID Court to make absolute the attached properties mentioned in aforesaid gazette notifications. The Company has filed a writ petition before the Hon'ble Bombay High Court challenging the legality and validity of the aforesaid notifications. The Hon'ble Bombay High Court while admitting writ petition has granted stay to notifications. The writ petition is reserved for order.

- c) The Enforcement Directorate('ED') has attached certain assets of the Company under the provisions of the Prevention of Money Laundering Act, 2002. The three Provisional Attachments Orders have been confirmed by the Adjudicating Authority. The Company has filed Appeals challenging the confirmation orders passed by the Adjudicating



Authority, before the Hon'ble Appellate Tribunal. The Hon'ble Appellate Tribunal has granted status quo on orders passed by the Adjudicating Authority confirming three attachments. Matter is pending for hearing. The ED has filed a prosecution complaint before the Spl. PMLA Court against the Company and the same is pending for trial.

- d) The Serious Frauds Investigation Office ('SFIO') published a Public Notice during December 2016 in a newspaper wherein it has been mentioned that the Central Government had directed the SFIO to investigate into the affairs of the Company. SFIO has concluded its investigation and filed report to Central Govt.

In the light of the above ongoing investigations and matters, the outcome of which is not known and is uncertain at this stage, we are unable to quantify the impact.

2. a) For qualification referred in Sr. No. A 2(a) above,

Investigating agencies are investigating genuineness of the warehouse receipts issued by the Exchange as well as the frauds perpetrated by the erstwhile senior officials of the Exchange. The Government by Gazette Notification SO 2529(E) dated September 19, 2014 has withdrawn the Gazette Notification SO 906(E) dated June 05, 2007 (by which the Company was granted exemption under Section 27 of the FCR Act, 1952 for trading of forward contracts of one day duration) with immediate effect and consequently the notification SO 228(E) dated February 06, 2012 and notification SO 2406(E) dated August 06, 2013 ceased to be in force w.e.f. September 19, 2014, as informed to the Company by the FMC vide letter dated November 05, 2014. As the reply to the said SCN has been given and actions, if any, required due to SCN has been taken, including withdrawal of the exemption itself, the Company do not foresee any further consequences on the SCN. FMC /Ministry of Consumer Affairs has not adjudicated the SCN issued to NSEL for violation of the conditions of the exemption notification dated June 05, 2007, which was the subject matter of the SCN. All contracts traded on the Exchange platform were proper and in consonance with applicable laws, exemption notifications and there were no violations in this regard. The Company had obtained a legal opinion on the legality of the contracts traded by the members on the exchange platform. The Company is taking all steps to defend its position, however since all matters are sub-judice, the Company is unable to quantify the impact, if any, of such legal proceedings on the financial statements of the Company.

In case of provision for impairment of Financial assets relating to amounts to be recovered from defaulting members, NSEL has secured decrees/ Arbitration Award



	<p>worth ₹ 3,365 Crores and has initiated execution proceedings against the Defaulting members to recover Decretal amounts. Further, the High Court Committee has crystalized the liability to the tune of Rs. 868.25 crores of defaulting members. The said reports will be converted into the decree once the same are accepted by the High Court.</p> <p>b) For qualification referred in Sr. No. A 2 (b) above:</p> <p>Majority in value of the trade and other receivables, loans and advances etc. are under litigation/subject to court orders. Where amount is doubtful for recovery, Company has either made provision or disclosed the reason for non-provisioning. Company is making full efforts for recovery of the amounts.</p>
(ii)	Auditors' Comments :
	Quantification is not possible.

For 63 moons technologies limited
(formerly Financial Technologies (India) Limited)



Venkat R Chary
Chairman – Board of Directors and Audit Committee



S Rajendran
Managing Director & CEO



Devendra Agrawal
Whole Time Director & CFO

Place: Mumbai
Date: May 27, 2019



In terms of our Report issued under Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015.

For Sharp & Tannan Associates
Chartered Accountants
(Firm Registration No. 109983W)



Firtharaj Khot
Partner
(Membership No. (F) 037457)

