

BE THE



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CORPORATE INFORMATION

Board of Directors

- **Jignesh Shah**
Chairman & Managing Director
- **Dewang Neralla**
- **Manjay Shah**
- **Ravi K. Sheth**
- **P. G. Kakodkar***
- **Chandrakant Kamdar**
- **Ramanathan Devarajan***
- **P. R. Barpande***
- **C. M. Maniar**
- **N. Balasubramanian****

Management Team

- **Jignesh Shah**
Chairman & Managing Director
- **Dewang Neralla**
Whole-time Director - Technology
- **Manjay Shah**
Whole-time Director - Business Development
- **Paras Ajmera**
Director - Operations
- **Jigish Sonagara**
President & Head - Exchange Technology
- **Devendra Agrawal**
Chief Financial Officer
- **Rajendra Mehta**
President & Head - Member Technology
- **Prashant Desai**
President - Investor Relations
- **Miten Mehta**
President - New Projects

Company Secretary

Naishadh P. Desai
Sr. Vice President (Legal) & Company Secretary
Hariraj Chouhan
Vice President & Company Secretary

Registered Office

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T: +91 22 6686 1010
F: +91 22 6686 1050
info@ftindia.com
www.ftindia.com

Auditors

Deloitte Haskins & Sells

Share Transfer Agents

Karvy Computershare Private Ltd.
17 to 24, Vittalrao Nagar,
Madhapur, Hyderabad – 500 081,
India.
www.karvy.com

Bankers

- HDFC Bank Ltd.
- Deutsche Bank AG
- HSBC Ltd.
- Standard Chartered Bank
- Union Bank of India

TABLE OF CONTENTS

Letter from Chairman's Desk	01	2	DIRECTORS' REPORT	28	
1	FINANCIAL TECHNOLOGIES OVERVIEW	07	3	MANAGEMENT DISCUSSION & ANALYSIS ...	38
	Product Overview	09	4	CORPORATE GOVERNANCE	46
	Company Profiles	11	5	FINANCIALS	66
	Global Presence	21		Standalone	67
	6 Years at a Glance	23		Consolidated	114
	Financial Highlights	24			
	Human Capital Overview	25			

*Resigned

**Appointed as Director w.e.f. 22nd August 2013

BE THE

CHANGE

YOU WANT TO SEE

India went into economic liberalization in the early 1990s. Ever since, India and Indian economy has been making rapid progress to emerge as one of the fastest growing globally. The reforms have transformed many industries. The Indian financial market place has also transformed. And we have played a leading role in it. With innovation, enterprise and inclusion as the foundation, we have tried to change the future of financial market infrastructure in India. Helping us in this endeavor has been the leading ideal of, **'be the change you want to see.'**

LETTER FROM CHAIRMAN'S DESK



JIGNESH SHAH | Chairman & Managing Director

It is the quest to '*change for the better*' that leads to innovations which beacon excellence. This is what our aim has been, in all our endeavors. Our outlook as harbingers of change in many areas in the financial market space is a natural corollary to our quest for this very excellence.

Dear Shareholders,

As I set out to write my letter to you, I know that all of you are concerned reading about the challenges that one of your Company's subsidiary viz., National Spot Exchange Ltd. (NSEL) faces. We have outlined the details of the same in the leaflet included with this Report. I know these are tough times the Company is facing and Financial Technologies is making all efforts to come out of such situation.

20.71%

Rise in TOTAL INCOME

Total Income increased to ₹ 6,574 million, as against ₹ 5,446 million in the previous year, which, in percentage terms, amounts to a rise of 20.71%

27.77%

Increase in EBITDA

EBITDA increased by 27.77% to ₹ 4,679 million, as against ₹ 3,662 million the previous year

20.94%

Rise in PAT

PAT rose by 20.94% in the year to ₹ 3,229 million, compared to ₹ 2,670 million in the previous year.

Note: Numbers mentioned are standalone results, excluding capital gain on sale/redemption of shares and diminution in long term investments.

GLOBAL ECONOMY

We have seen significant political change last year with presidential elections taking place in some of the largest economies of the world such as China, Egypt, France, Mexico, Russia and the United States. Over the course of 2012, economic uncertainty continued with impact on overall business growth prospects. Agreement on a series of tax rise in the US pulled the economy back from the brink of a 'fiscal cliff', but tough negotiations on the debt ceiling and spending cuts remained.

Political deadlock in Japan and deliberations continued in euro-zone with sovereign debt crisis being far from resolved. Emerging economies are growing faster, but challenges persist. In China, new leadership is expected to focus on avoiding the middle-income trap for more sustainable growth. Reforms to further open up the Indian economy to FDIs earlier met some resistance but this is gradually changing. Signs of reforms in Russia were tepid and the government budget remained highly reliant on the price of oil and gas.

Brazil has seen limited growth over the last two years although their interest and unemployment rates had dropped to record lows. The new administration in Mexico has targeted higher growth and greater security. Maritime disputes are threatening to upset relations in South-East Asia, whilst the legacy of the Arab Spring is still

reverberating across the Middle-East and North Africa.

The global economy revival has been led with printing of currency and quantitative easing which has fueled surplus liquidity the world over and India has also been a beneficial of the same. However, the rupee depreciation has taken some steam off it, as is the case in all emerging markets. Its interesting to note that the developing economies where the global crisis started in 2008 are showing some signs of growth and emerging economies are seeing tougher times ahead.

INDIAN ECONOMY

The Indian Economy that was amongst the fastest growing globally has been facing several headwinds. The GDP growth has fallen to a low of 4.8% in the quarter ended 31st March 2013*. The interest rate trend which had reversed has once again done a U-turn with the rupee creating havoc and even crossing ₹ 64 at the time of writing this letter. The Indian Economy is facing its toughest challenge since economic liberalization in the early 1990s.

**RBI - Macroeconomic and Monetary Developments First Quarter Review 2013-14, 29th July 2013*

The upcoming elections and the policy paralysis have slowed down significant corporate investment too. With this backdrop, India has a tough couple of years ahead of her.

The Economic Survey 2012-13, presented by Finance Minister P. Chidambaram in the Lok Sabha predicts that the global economy is likely to recover in 2013 and various government measures will help in improving the Indian economy's outlook for 2013-14. The future holds promise for India if there is a shift in national spending from consumption to investment, more job creation and removal of bottlenecks in investments. Some reform measures undertaken are combating inflation with monetary and supply-side measures.

As national entities – our Exchange ventures encompass all regulatory compliances and are continuously focused on – inclusive growth, investor interests, employment generation and stakeholder engagement.

YOUR COMPANY

In the current state of affairs when challenges persist both in India and globally, your Company has still led initiatives that explore newer opportunities and avenues that help managing market risks better. With domain expertise, vision to create new-generation markets and a potent combination of technology and finance, we have developed high quality financial market infrastructure in India. And we have

taken forward India's footprint into fast-growing regions of South-East Asia, Middle-East and Africa. We are the world's largest creator of green-field Exchanges and complementing them with ecosystem ventures that strengthen the scope of these financial markets.

Financial Exchanges and ecosystem ventures create powerful instruments and interventions that not only energize economic growth but ensure sustainability. By means of creating affordable financial market access through new age technologies, we are heralding an era of innovation and excellence for the ecosystem we operate in. The following verticals define our innovative growth models Technology, Exchanges and Ecosystem Ventures.

VERTICALS

Technology, Exchange, Ecosystem

The Technology Vertical encompasses Exchange Solutions, Brokerage Solutions, Connectivity Solutions and Consulting Solutions. Exchange Solutions are highly versatile and cover all aspects of the Exchange operations – from trading to settlement. It is driven by strategic and operational needs to deal with costs and margin pressures, ever-changing business environment and regulatory compliances. The Exchange Technology Division through its Energy Market Management System (EMMS) deployed Energy Solutions

at Gulf Co-operation Council Interconnection Authority (GCCIA) in the UAE.

ODIN™, your Company's flagship brokerage solution, continues to be the first choice of every brokerage house in India. ODIN™ integrated with ACE Derivatives and Commodity Exchange – India's newest commodity Exchange that facilitates online trading, and clearing and settlement of commodity futures transactions, and thereby providing a platform for its risk management. This year, ODIN™'s capabilities were enhanced to integrate with new Exchange segments – MCX-SX equity and derivative segments, Universal Commodity Exchange (UCX) commodity futures segment and in primary market for OFS (offer for sale) segment.

This year, ODIN™ Institutional extended to provide various execution-based algorithms and introduced FIX 24x7 functionality that enables the sell-side brokers to accept orders all day from buy-side clients who route orders from different time-zones across the world. Another milestone was the addition of the ODIN™ QDP product suite to enable Qualified Foreign Investors (QFI) to participate in the Indian equity markets. We have also introduced FX-ELITE™ which is an intra-bank online dealing platform facilitating end-to-end automated trading for intra-bank foreign exchange. It is a fully-customizable solution that provides an efficient workflow

between the Bank Central Treasury and its Branch Offices, thus allowing the Treasury to expeditiously confirm and execute foreign exchange trading.

This year, your Company introduced STP-Gate™ Debt Market, a messaging solution for the debt market participants to address the challenges faced in non-standardized physical format of contracts. With the launch, your Company has become the first company in India to offer messaging solution to debt market participants. The solution – an internet-based service – will seamlessly interconnect market participants through standardized ISO 15022 messaging.

Our Consulting Solution - ESG added to its services – Datacenter Hosting which is a low latency proximity hosting solution that helps clients to host their servers and connect with various Exchanges efficiently using algorithm trading applications. ESG also added Information Security Awareness Programs that enable secure IT Infrastructure for clients.

Our wide institutional framework of Exchanges and ecosystem ventures formulate a comprehensive market structure not only in India but also globally. In our capacity as an Exchange operator, we believe in fostering good standards of corporate governance which plays a pivotal role in any financial market space.

The diffusion of self-regulation at every level and adoption of code of best practices is visible in our endeavors. As national entities – our Exchange ventures encompass all regulatory compliances and are continuously focused on – inclusive growth, investor interests, employment generation and stakeholder engagement. Our role is to ensure that this has always been in our immediate topical interests and has never been compromised.

In the commodity Exchange space, MCX maintained its leadership position in the Indian commodity markets space. MCX's IPO was adjudged as the 'Best Mid-cap Equity Deal' in Asia-Pacific by Finance Asia Achievement Awards 2012. It also conferred the 'Best Commodity Exchange of the year' award at the Global Cotton Conference.

Our Exchange in the energy segment, IEX continues to be India's first and premier Power Exchange with 95% Market Share and recorded highest ever REC traded in a single trading session in March 2013. The international Exchanges in multiple geographies spread across Asia, Middle-East and Africa namely SMX, GBOT, BFX and Bourse Africa have been growing steadily.

With respect to the ecosystem ventures, NBHC successfully associated with four new banks this year.

Your Company's standalone financials* for the year ended 31st March 2013 are as follows:

OPERATING REVENUES*

Total Income increased to ₹ 6,574 million, as against ₹ 5,446 million in the previous year, which, in percentage terms, amounts to a rise of 20.71%

EBITDA increased by 27.77% to ₹ 4,679 million, as against ₹ 3,662 million the previous year.

PAT rose by 20.94% in the year to ₹ 3,229 million, compared to ₹ 2,670 million in the previous year.

Your Company has since last 29 consecutive quarters declared and paid dividend to its Shareholders. During the year, your Company has declared and paid three interim dividends of 100% each (₹ 6/- per share on par value of ₹ 2/- per share) to its shareholders and a final dividend of 100% (₹ 2/- per share) recommended will be paid subject to the approval of Shareholders at the ensuing Annual General Meeting.

**Numbers mentioned are standalone results, excluding capital gain on sale/redemption of shares and diminution in long term investments.*

GROUP BUSINESS HIGHLIGHTS

Along with technological competences and domain expertise, your Company is today the world's largest creator of green-field Exchanges and

complementing them with ecosystem ventures that strengthen the scope of financial markets. Its wide institutional framework of Exchanges and ecosystem ventures formulate a comprehensive market structure not only in India but also globally.

In the commodity Exchange space in India, **Multi Commodity Exchange (MCX)** recorded its highest daily turnover since inception of ₹ 1,199.41 billion. MCX launched Kapasia Khalli contract and also Silver 1,000 contracts which witnessed a record delivery of 1,010 kg in the year. MCX also won the 'FOW Award' for its Gold Petal Futures Contract under the most innovative new contract launched by an Exchange in the metals category at the FOW Awards for Asia 2012 organized at Singapore.

Indian Energy Exchange (IEX) successfully completed five years and is India's preferred electricity trading platform with nationwide reach covering 101 Members and over 2,500 active clients registered as on 31st March 2013 (over 500 private generators and over 1,800 direct consumers). It also witnessed the highest ever traded volume in Electricity Market in a year – over 22 Billion Units (kWh). IEX bagged '6th Enertia Award' as 'Best Power Exchange in India' and the PowerLine Award as 'Best Performing Power Exchange' this year. It also received India Power Award of the 'Best E-enabled Consumer Platform'.

Singapore Mercantile Exchange (SMX) inked an MOU with AFET for global joint development of Futures Trading and partnered with Temasek Polytechnic to build capabilities in commodity and currency derivatives trading and processing. SMX won three Awards at 'FOW Awards for Asia 2012'.

Bahrain Financial Exchange (BFX) became a member of the Bahrain Association of Banks (BAB). It successfully conducted several corporate social responsibility (CSR) educational workshops titled "Understanding the Financial Derivatives Markets from Theory to Practice" for university students in the Kingdom of Bahrain.

Global Board of Trade (GBOT) collaborated with the University of Technology, Mauritius, to promote education on Financial Markets which would enable students and professionals to learn the practical aspects of financial markets through workshops, certification courses and simulation on GBOT markets. GBOT also conducted over 50 EDGE Workshops with in-house and external experts within the Financial Sector. EDGE is the knowledge and education initiative of GBOT titled "Empowerment & Development through 'Global financial markets' Education" (EDGE).

With respect to the ecosystem ventures, **National Bulk Handling Corporation (NBHC)** successfully

associated with six new banks this year namely, Central Bank of India, L&T Finance Holdings, Hadoti Kshetriya Gramin Bank, J&K Bank, Dombivli Nagari Sahakari Bank and Ratnakar Bank.

Among other notable developments, **TickerPlant India Ltd. (TPIL)** incorporated new functionalities in its product offerings with commissioned enhancements in decision support tools, pivot point analytics and technical indicators such as Ichimoku and smoothed RSI. It has seamlessly integrated MCX-SX Cash and F&O segments, and ACE Exchange.

Financial Technologies Knowledge Management Company (FTKMC) successfully conducted nationwide training programs as also extensive content development for the financial markets. During the year FTKMC unveiled a special diary providing comprehensive views on Corporate Governance, including Strategy, M&A, Regulations, and Financial Statement presentation. It has also represented on 'Rethinking Governance' the 31st SKOCH Summit at New Delhi, and executed a project on drawing a roadmap for knowledge management undertaken for Capital Market Authority, Saudi Arabia, and a study on Financial Services Outsourcing for GIZ, as a part of its project Sino-German Tianjin Modern Financial System Development Project, China.

atom Technologies acquired 600+ merchants this year and processed more than 5.5 million transactions worth ₹ 3,396 crore. It tied up with banks for integrating their Internet Banking Gateway on atoms' 'PAYNETZ' Solution and entered tie-ups with several leading government/PSU customers for payment services. It has, also, collaborated with leading education institutions to facilitate sale of application forms and collection of fees from their students.

THE YEAR AHEAD

The year 2012 has, indeed, been vital in shaping our modus operandi for 2013, given the volatile macro economy and changing market landscape. The slightly weaker global outlook will continue to be a challenging economic environment to operate in. Notwithstanding the transitioning emerging economies, we remain steadfast in our mission to continually innovate to surpass our own benchmark and achieve long term sustainable growth. Having completed an assessment of past year, we plan to continue product development and adding more tech-driven solutions serving our clients. Our focus will continue to imbibe market best practices, develop SMEs and bring technology in our day-to-day processes. We aim to continue to ensure highest returns for shareholders while blending social interest with inclusive growth.

Your Company will continue to pursue its business strategy to identify and invest in quality assets with an objective of generating higher returns on investments over medium to long term. While doing so, your Company will ensure the standards of corporate governance are comparable to the best in the world. As our theme goes we are passionately working towards building a new breed of leadership that will inspire, galvanize and edify our very fabric of the society.



JIGNESH SHAH

Chairman & Managing Director

OVERVIEW

Financial Technologies (India) Ltd. is a global leader in offering technology IP (intellectual property) and domain expertise to create next-generation financial markets that are transparent, efficient and liquid, across asset classes including equities, commodities, currencies and bonds. The Company is a pioneer in introducing end-to-end Straight-Through-Processing solutions that support high density transactions.

Financial Technologies has a unique business model integrating its domain knowledge of end-to-end IT-enabled transaction and Exchange Technology to create and operate Exchanges and ecosystem ventures. Financial Technologies is the world's largest creator of green-field Exchanges that connect the fast-growing economies of Africa, Middle-East and Southeast Asia. Our business model of setting up and operating efficient markets (Exchanges) is well supported by ecosystem ventures that bring long-term sustainability and robustness in creating value for all its stakeholders, be it market participants, intermediaries or end-users.

Under the Exchange Vertical, Financial Technologies provides transaction opportunities that are transparent and well-regulated, providing mark-to-market valuation, clearing house guarantee, fungibility of deliveries and higher liquidity without associated counter party risks. It also provides the opportunity for cross-listing, margin credits, carry-forward positions across Exchanges, enables hedging and creates easy liquidity across connected markets around the world.

Financial Technologies, Ecosystem Vertical addresses upstream and downstream opportunities to support its Exchanges, including clearing and depository, information dissemination, warehousing and collateral management, payments processing and financial market education, among others.

TECHNOLOGY VERTICALS

Exchange Solutions



Brokerage Solutions



Messaging Solutions



Consulting Solutions



EXCHANGE VERTICALS

Commodity



Futures



Spot

International Multi-Asset Exchanges



Mauritius



Singapore



Botswana



Bahrain



Dubai

Energy



Forex Spot



ECOSYSTEM VERTICALS

Commodity &
Collateral Management



Payments
Processing



Digital Information
Broadcasting



Knowledge
Training



PRODUCT OVERVIEW

Financial Technologies (India) Ltd. (FTIL) is a global leader in creating and operating technology-centric, next-generation financial markets that are transparent, efficient and liquid, across multi asset classes, including equities, commodities, currencies and bonds, among others. Its highly robust and scalable Exchange and trading technology, coupled with deep domain expertise, gives it a decisive edge in driving mass disruptive innovation that is unmatched in financial markets. This uniquely positions FTIL as the creator of electronic, organized and regulated financial markets for new asset and investor classes that are either under-served or economically unviable to be served by traditional markets.

FTIL's trading technology offerings can be broadly classified into **Exchange Solutions**, **Brokerage Solutions**, **Connectivity Solutions**, **Messaging Solutions** and **Consulting Solutions**.

EXCHANGE SOLUTIONS	M A R K E T S				
	Commodity	Equity	Currency	Fixed Income	Energy/Power
DOME	■	■	■	■	■
CnS	■	■	■	■	■
FX-Direct™	□	□	■	□	□
FOVEA™	■	■	■	■	□
Risk Management	■	■	■	■	□
TRADEDART™	■	■	■	■	■
MarketXstream™	■	■	■	■	□
DMATS™	■	■	□	■	■
PowerARMS™	□	□	□	□	■
TSO	□	□	□	□	■
eRegistry	□	□	□	□	■
ECS	■	■	■	■	■

■ Available □ Not Available

BROKERAGE SOLUTIONS

M A R K E T S

PRODUCTS*	Commodity	Equity	Currency
FRONT OFFICE			
ODIN™	■	■	■
ODIN™ Institutional	□	■	■
ODIN™ Diet	■	■	■
NeT.net™	■	■	■
iWin™	■	■	■
iWin™ Touch	■	■	■
ODIN™ Program Trading	■	■	■
ODIN™ Greek Neutralizer	□	■	■
ODIN™ Advanced Charting	■	■	■
ODIN™ ATS	■	■	■
ODIN™ Atlas	■	■	■
MIDDLE OFFICE			
Protector™	■	■	■
BACK OFFICE			
e-Hastakshar™	■	■	■
MATCH™	■	■	■

CONNECTIVITY SOLUTIONS

FTNET	□	■	■
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MESSAGING SOLUTIONS

STP-Gate™	□	■	□
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■ Available □ Not Available

CONSULTING SOLUTIONS

ESG	IT Consultancy	Process Consultancy	Quality Assurance	Facility Management
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Over and above major domestic markets, ODIN™ and Match™ support international Exchanges – ADX (Abu Dhabi), DFM (Dubai), DGCX (Dubai), Tadawul Stock Exchange (Saudi Arabia), SMX (Singapore) and GBOT (Mauritius)
*Availability of the above Products is subject to regulatory approvals, if any.

FINANCIAL TECHNOLOGIES (INDIA) LTD. (FTIL)



From **MULTIPLE TRADING TERMINALS**

The Indian financial markets have evolved significantly. India was one of the first globally to lead in electronic trading of equities across its Exchanges. Then came multiple commodity Exchanges, followed by energy and currency. Indian investors embraced these new asset-classes into their portfolios. The brokers who offered only equities, commenced offering multiple asset-classes. Imagine a dealing room with trading terminals of varied asset-classes, various market participants and several Exchanges — BSE, NSE, MCX, NCDEX, MCX-SX, etc. and the complexity that came with it. In trading. In risk management.

Enter Financial Technologies (India) Ltd. (FTIL).

FTIL brought for the first time — the power of multi-asset trading on a single application through ODIN™ — a robust and reliable trading solution — that enabled traders to transact across multiple Exchanges and multiple products on a single platform. ODIN™ created a nationwide heterogeneous network of trading terminals reaching thousands of towns and cities facilitating market access to multiple Exchanges and empowering brokerage houses.

Subsequently, FTIL developed a host of solutions that cater to equity, treasury, forex, commodity, derivatives, debt and depository segments covering all stages of a trade life cycle to deliver single-point transaction fulfillment. Thus, it delivered mission critical applications with high reliability in one of the fastest evolving financial markets of India. It emerged as the preferred technology partner for deploying straight through processing (STP) solutions for the technology-intensive financial services sector. FTIL was one of the first technology providers in the Indian financial market space to offer real-time connectivity to Exchanges with faster inter-segment trading and an integrated back-office system.

With its Exchange Technology Solutions, FTIL addressed vital prerequisites for Exchanges — providing scalable architecture allowing business expansion and offering comprehensive risk management. FTIL provided integrated solutions which are scalable, easy to maintain and matched the foreseen and unforeseen requirements of Exchanges to efficiently manage their fast-growing transaction volumes. FTIL facilitated change within the financial services industry and revolutionized the financial marketplace by the creation of a single global network.



To
**ONE SCREEN
FOR ALL**

KEY MILESTONES DURING FY 2012-13

- Keeping in pace with growing needs of the market, FTIL equipped its Exchange Technology Solutions to cater newer asset classes viz. Equity, Equity Derivatives, Currency Options recently launched at MCX-SX. Additionally, FTIL successfully implemented 'TSO Workflow Management System' at IEX.
- FTIL's Exchange Technology Division implemented its Energy Market Management System (EMMS) for Gulf Co-operation Council Interconnection Authority (GCCIA).
- Maintained leadership position with brokerage technology solutions in domestic retail and institutional space. With enhanced capabilities ODIN™ integrated with new Exchange segments — MCX-SX equity and derivative segments, Universal Commodity Exchange (UCX) commodity futures segment and in primary market for OFS segment.
- ODIN™ Institutional extended to provide Execution-based Algorithms, Block Release and IOI (Indication of Interest) functionality with 24x7 order acceptance catering clients of different time-zones across the world.
- Introduced ODIN™ QDP* to enable Qualified Foreign Investors (QFI) to participate in the Indian equity markets and STP-Gate™ Debt Market*, a messaging solution for the debt market participants to address the challenges faced in non-standardized physical format of contracts. Also introduced 'FX-ELITE™'* to provide an automated electronic trading platform for intra-bank dealing of foreign exchange between the Central Treasury and its branches.

**These products are in the process of development, deployment and implementation*

PRODUCTS & SERVICES

- Exchange Solutions
- Brokerage Solutions
- Messaging Solutions
- Connectivity Solutions
- Consulting Solutions
- Banking Risk & ADF Solutions

INSTITUTIONAL ALLIANCES/MEMBERSHIP/ASSOCIATIONS

- Partner – IBM under SVI and SVP programs
- Memberships – FICCI, CII, NASSCOM, CMAI, DSCI, IMC
- Strategic Alliances – Microsoft, HP, Juniper, CISCO, Dell, APC, Stratus

CERTIFICATION, AWARDS & RECOGNITION

- FTIL received its ISO 20000:2011 certificate and is amongst the first 50 organizations in India and the first 600 organizations world-wide to attain this certification
- FTIL due to its well-defined and quality-proven processes also received its ISO 14001:2004 certificate
- FTIL's STP-Gate™ nominated and won the SKOCH Digital Inclusion Award 2012 in innovations category
- FTIL consecutively featured in the American Bankers FINTECH 100 Rankings for 2011 and 2012

From
**BEING
UNKNOWN**

MULTI COMMODITY EXCHANGE OF INDIA LTD. (MCX)



During a decade of its operations, MCX, the leading online commodity derivatives Exchange in India, has put the nation on the map of global commodity bourses by being the third largest commodity futures Exchange* in the world. The Exchange is also globally ranked first in silver and gold futures*, second in natural gas and copper futures*, and third in crude oil futures*. Today, MCX stands as the only Exchange in India to be listed in the equity market.

By bringing in heterogeneous groups of large and small participants from across the nation on its online trading platform, MCX has created a vibrant and transparent commodity marketplace that has helped the process of risk management and price discovery, thereby rendering efficiency to commodity value chains. The prices discovered on MCX also serve as the national benchmark in many commodities. Moreover, the hedging effectiveness on MCX is comparable to those of the global benchmark Exchanges for commodities as diverse as gold, copper and crude palm oil.

In its endeavor to develop India's commodity futures market, the Exchange takes various measures, which include: a) disseminating commodity price information; b) creating linkages with the commodity ecosystem entities; c) organizing customized awareness programs; d) conducting research on various relevant topics and regularly publishing research findings; e) designing innovative products to suit the needs of varied participants; f) engaging with market participants; and g) sensitizing the concerned stakeholders and authorities through our evidence-based policy advocacy initiatives.

MCX's market penetration — 2,100+ members; 400,000+ terminals; presence in 1,900+ cities and towns — stands testimony to these endeavors. Moreover, through its functioning and linkages with the broader commodity ecosystem, MCX has created employment and income opportunities.



www.mcxindia.com

To
**3rd LARGEST
IN TEN YEARS**



KEY MILESTONES DURING FY 2012-13

- 3rd largest commodity futures Exchange globally*
- Globally, MCX was
 - 1st in silver and gold futures*
 - 2nd in copper and natural gas futures*
 - 3rd in crude oil futures*
- MCX maintained its leadership position in the Indian commodity derivatives market with a market share of 87.3% in FY12-13. The average daily turnover of the Exchange during the fiscal was ₹ 487.90 billion.
- Recorded its highest daily turnover since inception of ₹ 1,199.41 billion on 15th April 2013
- Launched Kapsasia Khalli, Silver 1000 and Mild Steel ingot/billet contracts
- Silver 1000 contract witnessed record delivery of 1,010 Kg on 3rd November 2012

**Based on FIA Annual volume survey, released in March 2013, in terms of the number of contracts traded during CY 2012*

PRODUCTS & SERVICES

MCX offers trading in more than 30 commodity futures contracts across segments including bullion, ferrous and non-ferrous metals, energy and agricultural commodities.

INTERNATIONAL ALLIANCES

- CME Group
- London Metal Exchange (LME)
- Shanghai Futures Exchange (SHFE)
- Taiwan Futures Exchange (TAIFEX)
- The Baltic Exchange

DOMESTIC ALLIANCES

- Bombay Metal Exchange
- Solvent Extractors' Association of India
- Weather Risk Management Services
- Dall & Besan Millers' Association
- Ekgaon Technologies

CERTIFICATION

MCX has been certified to three ISO standards including ISO 9001:2008 quality management standard, ISO 27001:2005 information security management standard and ISO 14001:2004 environment management standard.

AWARDS & RECOGNITION

- Conferred Best Commodity Exchange of the year award at the Global Cotton Conference
- MCX's IPO was adjudged as the Best Mid-cap Equity Deal in Asia-Pacific by FinanceAsia Achievement Awards 2012
- MCX won the FOW Award for its Gold Petal Futures Contract under the most innovative new contract launch by an Exchange in the metals category at the FOW Awards for Asia 2012 organized at Singapore

From
**UNUTILIZED
POWER**

INDIAN ENERGY EXCHANGE LTD. (IEX)



Year 2003 saw a paradigm shift in the Indian Power Sector. The Electricity Act of 2003 embarked on a transformation drive to increase power generation through enhanced participation by the private sector. With competition as the underlying theme, the Electricity Act, for the first time recognized trading in power as a distinct activity and laid emphasis on building competitive power market in the country with 63 inter-state trading licensees on the OTC market trading surplus power from three months to three years. And yet, India had a unique situation where there was surplus power on a daily basis which was unutilized. Recognizing this gap the Central Electricity Regulatory Commission (CERC) introduced regulation for trading of power below three months on an Exchange platform.

Enter IEX

Since 2008, IEX has been at the forefront in shaping the market for trading in electricity on a day-ahead basis. In 2012-13, an average of 61 million units of electricity were traded in the Day-Ahead Market (DAM) at an average market clearing price of ₹ 3.49 per unit, lighting up thousands of homes and industries which would have otherwise remained in dark, either partially or completely. Despite limitation of being able to trade only in less than 11 days, the electricity exchange market today constitutes about 2.6% of the total power generated in the country and the volumes have grown at a CAGR of 59% in the last five years. IEX leads the DAM with 97% market share and has over 2,200 participants.

The advent of IEX enabled creation of a non-discriminatory marketplace with price discovery made in a most competitive way through participation of multiple parties. This led stakeholders to procure power at competitive rates through open access utilizing the exchange platform, thereby managing their power portfolio in a more reliable and cost effective way. IEX is also accelerating renewable energy deployment in the country by trading in Renewable Energy Certificates. IEX is committed to building an efficient, neutral and transparent marketplace for the benefit of all stakeholders in the system including generators, distribution licensees, traders, and consumers.



www.iexindia.com

To
**EFFICIENT
UTILIZATION**



KEY MILESTONES DURING FY 2012-13

ELECTRICITY

- Highest ever cleared volume 91,675 MWh for delivery day 24th March 2013 in Day-Ahead Market (DAM)
- Highest ever traded volume in electricity market in a year — over 22 Billion Units (kWh)
- Highest ever market share in electricity segment — 97%
- Participation crossed 2,600 (Electricity and REC)
- Highest number of successful portfolios traded on a single day — 1,223 on 9th March 2013

REC

- Highest ever REC traded in a single trading session — 309,892 (March 2013 session)
- REC market share — 77%
- Highest number of successful portfolios traded on a single REC trading session — 1,135 (March 2013 session)

PRODUCTS & SERVICES

- **SPOT MARKET**
 - **Intraday**
- For the same day (last 10 hours)
 - **Day-Ahead Market**
- 15 minute block for the next day
 - **Day-Ahead Contingency Market**
- Hourly for the next day
- **FORWARD MARKET**
 - **Daily**
- For rolling seven days (starting after 4th day)
 - **Weekly**
- **RENEWABLE ENERGY CERTIFICATES (REC)**
 - Solar REC
 - Non-Solar REC
- **ENERGY SAVING CERTIFICATES (ESCerts)**
(to be launched)

INSTITUTIONAL ALLIANCES/MEMBERSHIP/ASSOCIATIONS

- APEX
- PJM Technologies Inc
- EPEX Spot
- CII
- FICCI
- ASSOCHAM
- Council of Power Utilities

CERTIFICATION, AWARDS & RECOGNITION

- 6th Eneria Award as Best Power Exchange in India
- Power Line Award as Best Performing Power Exchange
- India Power Award as Best E-enabled Consumer Platform

NATIONAL BULK HANDLING CORPORATION LTD. (NBHC)



From DISTRESSED SELLING

Post-harvest credit in India is less than three percent of the agricultural credit from banks. Traditionally, most agri-credit by banks has been on the input side, despite the infirmities in the credit and also higher propensity for impairment. In order to enable remunerative prices to farmers for their agricultural produce, it is critical that either they get an effective market linkage or are enabled to time their sale. Credit support, thus, against their produce is crucial. Despite being a better avenue and easily enforceable security, post-harvest credit has not been a viable option for banks due to risks perceived in the underlying most notably in the quality and quantity as also due to the movement in prices.

Enter NBHC.

NBHC was started to provide comprehensive warehousing and allied services (quality certification, pest management services, etc.) for MCX. Soon, the demand for NBHC's one-stop-solution expanded such that today it is the largest private sector collateral management company in India. Approximately, ₹ 472 billion worth warehouse receipts have been issued by NBHC, funded by leading Indian banks.

NBHC is a key player in the agricultural supply chain, enabling farmers and other stakeholders to store products in a cost-effective manner. NBHC created favorable impact on commodities ecosystem by providing comprehensive solutions and helping reduce post-harvest risks. Its services include supply chain management, warehousing & bulk handling, collateral management, commodity care and pest management services, quality assaying & certification, audit accreditation & valuation services.



www.nbhcindia.com

To FINANCIAL SECURITY



KEY MILESTONES DURING FY 2012-13

- Number of banks and financial institutions for collateral management services increased to 42 from 37.
- Achieved a major landmark ₹ 11,900+ crore of cumulative assets under management (AUM) with funding facilitated of approx. ₹ 8,396 crore during the FY13. Total assets under management ₹ 9,200+ crore as at 31st March 2013.
- Trade facilitation gained further traction with foray into facilitation of international trade, additional number of commodities both agri-commodities as well as non agri-commodities.
- Storage facilities under management as at as at 31st March 2013 (All types — owned, leased, franchisee and accredited) 1,574 covering 22.56+ mn sq. ft. with a capacity of 3.76 mn MTs.
- Commissioned and commenced commercial operations of warehouses across 3 strategic locations aggregating 42,000 MTs. Construction under way at another location additionally augmenting 19,000 MTs.
- Surpassed cumulatively ₹ 47,254+ crore of assets under management with indicative funding of ₹ 33,100+ crore since inception.

PRODUCTS & SERVICES

- Supply Chain Management services
- Storage and Bulk Handling Services
- Collateral Management Services (NBHC Cecure)
- Commodity Care and Pest Management Services (NBHC CommGuard)
- Quality Testing, Grading, Inspection, & Certification Services (NBHC ProComm)
- Warehouse Audit and Accreditation and Commodity Valuation Services (NBHC Mandate)
- MSP Procurement Services
- Trade Information Services

INSTITUTIONAL ALLIANCES/MEMBERSHIP/ASSOCIATIONS

- **NAWC** – National Association of Warehousing Corporation
- **SOPA** – Soyabean Processors Association of India
- **PCAI** – Pest Control Association of India, Member
- **NPMA** – National Pest Management Association, USA, Member
- **GAFTA** – The Grain and Feed Trade Association, 'F' membership

CERTIFICATION, AWARDS & RECOGNITION

- Certified ISO 22000:2005
- Accredited ISO 9001:2008
- NABL accreditation (ISO 17025:2005) for its ProComm (QA) Laboratory at Vashi (Navi Mumbai)

INTERNATIONAL EXCHANGES



From
**PRICE-TAKING
ECONOMIES**

Flash back 2005. Consider this. Far East markets did not have a dedicated commodity exchange. Nor did Middle East and the same for Africa. The ones in China and India were closed for foreign participation. And yet were amongst the top ten globally through just domestic volumes. In the world where East created and West consumed, the West dominated commodity Exchange market and East went West for hedging.

Today, 2013.

Financial Technologies has put the East on the global Exchanges map by setting up dedicated commodity and currency Exchanges in Dubai, Singapore, Bahrain, Mauritius and Africa. Despite the emergence of East as an important force influencing commodities supply and demand, prices of benchmark commodities continue to be determined by markets in the United States and Europe. For example, markets take cue for oil prices from the New York Mercantile Exchange (NYMEX), grains from the Chicago Board of Trade (CBOT), cotton from New York Board of Trade (NYBOT) and metals from London Metal Exchange (LME).

Being home to the fastest-growing economies and as the largest producers and consumers of several key commodities, emerging economies of Asia, Middle-East and Africa should have access to domestic markets for hedging. And that's what we are set to achieve with a well-spread international presence in the form of – SMX, GBOT, DGCX, BFX and Bourse Africa in economies of Asia, Middle-East and Africa.

To PRICE-SETTING EMERGING MARKETS



Singapore Mercantile Exchange
Where the world trades

www.smx.com.sg



Bahrain Financial Exchange
سوق البحرين المالي

www.bfx.bh



Global Board of Trade

www.gbot.mu

SINGAPORE MERCANTILE EXCHANGE (SMX)

SMX an Approved Exchange regulated by the Monetary Authority of Singapore (MAS) is the first pan-Asian multi-product commodity and currency derivatives Exchange offering a comprehensive platform for trading a diversified basket of commodities. SMX clears its trades through its wholly owned subsidiary Singapore Mercantile Exchange Clearing Corporation (SMXCC). SMXCC is an Approved Clearing House regulated by MAS.

Average daily turnover of USD 200 million and average daily volume of 5,614 contracts in FY12-13.

CLEARING MEMBERS (Sample List):

Citigroup, Ong First Tradition, Morgan Stanley, Newedge, UOB Bullion & Futures, ICICI Bank, Philip Futures

TRADING MEMBERS (Sample List):

Total Global Steel, Glencore, Vitol, Transmarket

GLOBAL ASSOCIATIONS/MoUs:

FIA, WFE, TOCOM, ORC, RTS, Metal Bulletin, Temasek Polytechnic, BCEC, AFET etc.

PRODUCT CATEGORIES:

Precious Metals, Base Metals, Energy, Currency Pairs, Agricultural Commodities, Indices

BAHRAIN FINANCIAL EXCHANGE (BFX)

A pioneering multi-asset international financial Exchange based in the Kingdom of Bahrain. Internationally accessible to trade cash instruments, derivatives, structured products, Shariah-compliant financial instruments.

Launched innovative products such as the futures contracts on USD-INR currency index (mini futures contract), INR-USD currency pair, Gold, Silver as well as the MCX \$ Gold and MCX \$ Silver. Won the 'Most Innovative Forex Product Award 2012' at the 7th Jordan Forex Expo (JFEX) conducted in May 2012, for the BFX US dollar vs the Indian Rupee (USD-INR) Index Futures.

The BFX successfully conducted several corporate social responsibility (CSR) educational workshops titled 'Understanding the Financial Derivatives Markets from Theory to Practice' for university students in the Kingdom of Bahrain.

INSTITUTIONAL ALLIANCES:

Bahrain Association of Banks (BAB), International Islamic Financial Market (IIFM), Chartered Institute for Securities & Investments (CISI), Institute of Credit Management (ICM)

GLOBAL BOARD OF TRADE (GBOT)

Global multi-asset class Exchange based in Mauritius; licensed by Financial Services Commission, Mauritius. 1st Exchange in Africa and 2nd in the world to successfully launch CFD contracts.

GBOT signed an MOU with University of Technology, Mauritius to impart financial market education. First Exchange in the world offering two African currencies USD/MUR and ZAR/USD.

Conducted over 50 GBOT EDGE Workshops on 'Art of trading & Investment' in Mauritius. GBOT recorded highest daily turnover of USD 55.29 million in FY12-13.

PRODUCTS:

Commodity Futures:

Gold, Silver and WTI Crude Oil

Currency Futures:

EUR/USD, GBP/USD, JYP/USD, ZAR/USD, USD/MUR

CFDs:

Gold, Silver, WTI Crude Oil, EUR/USD, GBP/USD

GLOBAL PRESENCE

CORPORATE OFFICE

FINANCIAL TECHNOLOGIES (INDIA) LTD.

FT Tower, CTS No. 256 & 257, Suren Road,
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INTERNATIONAL OPERATIONS

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Financial Technologies Middle East
1310, Tiffany Towers, Jumeirah Lake
Towers, P. O. Box 212010, Dubai, UAE.

T: +97 155 708 0139

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chennai@ftindia.com

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delhi@ftindia.com

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bangalore@ftindia.com

Ahmedabad

A-1011, 10th floor, Atma House, Opp.
Old RBI, Near Times of India, Ashram
Road, Ahmedabad – 380 009.

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F: +91 79 3007 4957

ahmedabad@ftindia.com

Hyderabad

Door no. 201, 2nd floor,
Meridian Plaza 6-3-853, Ameerpet,
Hyderabad – 500 016.

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F: +91 40 4007 5037

hyderabad@ftindia.com

Kolkata

BNCCI House, 3rd floor, 23,
R. N. Mukherjee Road,
Kolkata – 700 001.

T: +91 33 6615 9000

F: +91 33 6615 9010

kolkata@ftindia.com

EXCHANGE VENTURES

INDIA

Multi Commodity Exchange of India Ltd.

Exchange Square, CTS No. 255,
Suren Road, Andheri (East),
Mumbai - 400 093.

T: +91 22 6731 8888

F: +91 22 6649 4151
info@mcxindia.com
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National Spot Exchange Ltd.

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

T: +91 22 6761 9900

F: +91 22 6761 9931
info@nationalspotexchange.com
www.nationalspotexchange.com

Indian Energy Exchange Ltd.

100A/1 Ground floor, Capital Court,
Olof Palme Marg, Munirka,
New Delhi - 110 067.

T: +91 11 4300 4000

F: +91 11 4300 4015
info@iexindia.com
www.iexindia.com

INTERNATIONAL

Singapore Mercantile Exchange Pte Ltd.

3 Phillip Street
#12-04 Royal Group Building
Singapore 048693.

T: +65 6590 3700

F: +65 6532 2773
info@smx.com.sg
www.smx.com.sg

Bahrain Financial Exchange

12th Floor, East Tower, Bahrain Financial
Harbour, King Faisal Highway, Manama,
P. O. Box 1936, Kingdom of Bahrain.

T: +973 16 511 511

F: +973 16 511 599
info@bfx.bh
www.bfx.bh

Global Board of Trade Ltd.

Ebène House, 1st Floor,
33 Cybercity, Ebène,
Republic of Mauritius.

T: +230 404 0000

F: +230 464 7000
info@gbot.mu
www.gbot.mu

Bourse Africa Ltd.

Plot No. 50664, Fairgrounds
Office Park, P. O. Box 4966
Gaborone, Botswana.

T: +267 316 0605

F: +267 316 0622
info@bourseafrica.com
www.bourseafrica.com

Dubai Gold & Commodities Exchange

Emaar Business Park, Bldg No. 2,
Level 1, Sheikh Zayed Road,
P. O. Box 37736, Dubai, UAE.

T: +9714 361 1616

F: +9714 361 1617
info@dgcx.ae
www.dgcx.ae

ECOSYSTEM VENTURES

National Bulk Handling Corporation Ltd.

9th floor, Everest Nivara Infotech, Plot
No. D-3, TTC Industrial Area, Turbhe,
MIDC, Navi Mumbai - 400 705.

T: +91 22 3063 1000

F: +91 22 3063 1010
info@nbhcindia.com
www.nbhcindia.com

atom Technologies Ltd.

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T: +91 22 6686 4010

F: +91 22 6686 4050
info@atomtech.in
www.atomtech.in

TickerPlant Ltd.

FT Tower, CTS. 256 & 257,
Suren Road, Chakala, Andheri (East),
Mumbai - 400 093.

T: +91 22 6686 6010

F: +91 22 6686 6050
info@tickerplantindia.com
www.tickerplantindia.com

FT Knowledge Management Company Ltd.

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

T: +91 22 6686 1010

F: +91 22 6686 6050
info@ftkmc.com
www.ftkmc.com

6 YEARS AT A GLANCE

STANDALONE

Financial Performance

(Excluding capital gains, diminution in long term investment and exceptional items)

₹ million

For the Financial Year Ended	2008	2009	2010	2011	2012	2013
Total Income	2,311	4,994	4,114	4,378	5,446	6,574
EBITDA	1,384	3,292	2,163	2,429	3,662	4,679
Profit After Tax	970	2,702	1,880	2,063	2,670	3,229

CONSOLIDATED

Financial Performance

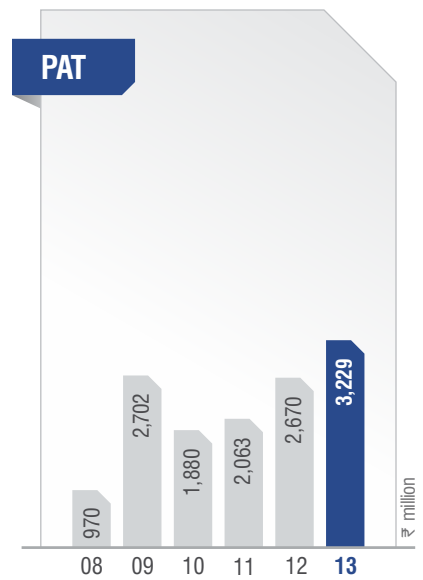
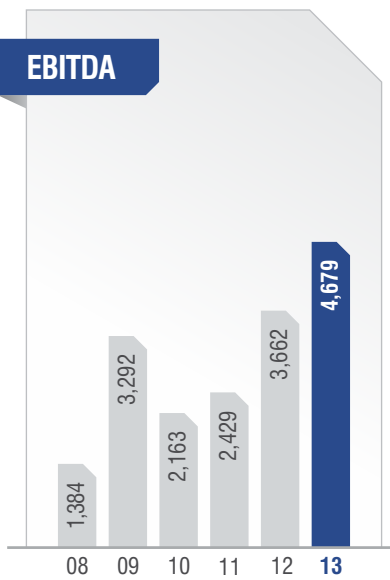
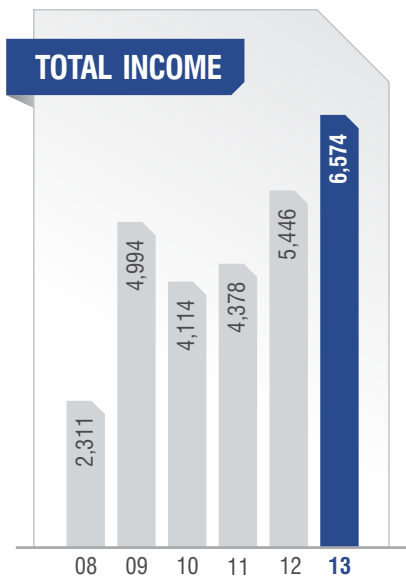
(Excluding capital gains, diminution in long term investment and exceptional items)

₹ million

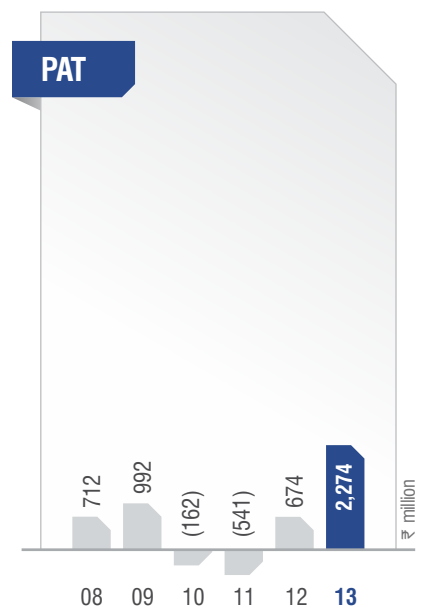
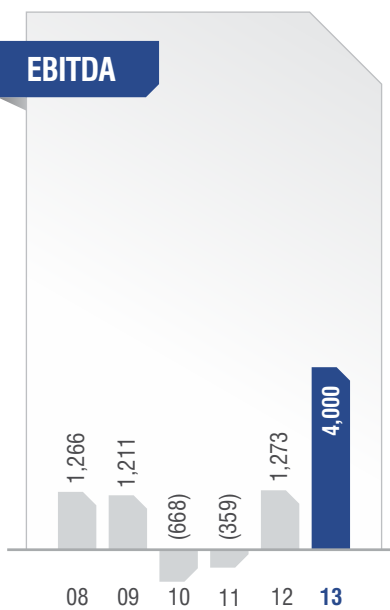
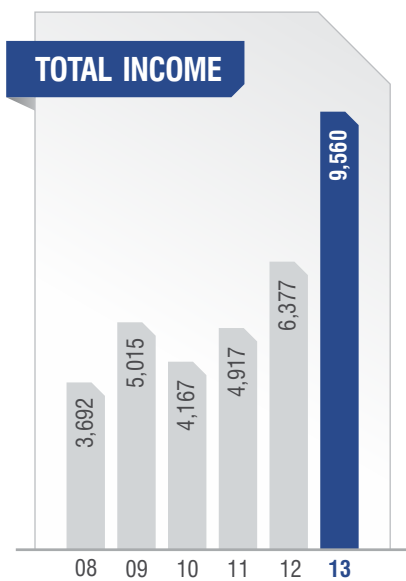
For the Financial Year Ended	2008	2009	2010	2011	2012	2013
Total Income	3,692	5,015	4,167	4,917	6,377	9,560
EBITDA	1,266	1,211	(668)	(359)	1,273	4,000
Profit After Tax	712	992	(162)	(541)	674	2,274

FINANCIAL HIGHLIGHTS

FINANCIAL PERFORMANCE | Standalone



FINANCIAL PERFORMANCE | Consolidated



HUMAN CAPITAL OVERVIEW

During 2012-13, Financial Technologies maintained its momentum on key people priorities. HR Department's (HRD) agenda continued to provide vigor to its human capital with an aim to build dynamic leadership pipeline that can drive its strategic goals in a bid to inculcate high-performance culture.

Through our activities, we ensure ample opportunities are provided to succeed and reorient the human resources to achieve professional goals. Keeping our belief of having a judicious mix of experience and youth in our staff strength, we continued to undertake competitive campus recruitment drives to enrich our human capital besides job portals and placement consultants.

TALENT MANAGEMENT AND ACQUISITION

We, at Financial Technologies, follow the spirit of 'Affirmative Action Policy' for hiring and sourcing talent. Our aim is to hire highly talented professionals who are adept in terms of functional as well as managerial abilities. We also conduct benchmark studies in order to measure our market standing vis-à-vis competitors.

We have a centralized internal online system for recruitment.

PARICHAY – an Employee Referral scheme, contributes the most among all human resources sourcing channels; this year it accounted for 26%. Such a high share of sourcing through internal scheme is a true testimony to our employee friendly work culture.

We believe in commencing the journey of a new joiner to the organization with a detailed Induction Program. A well-defined Job Description (JD) and Key Result Areas (KRAs) are shared to facilitate proper understanding of the role and to enable long term career planning.

LEARNING AND DEVELOPMENT INITIATIVES

Strings – Building High Performance Teams

After the successful completion of workshop - 'Symphony' and based on the feedback received we formulated 'Strings' a program with a view to build synergies within teams and the organization as a whole.

A 'Symphony orchestra' symbolizes extraordinary teamwork that results in creation of a masterpiece and has four main elements - Strings, Brass, Woodwind, and Percussion. Thus, our program complementing Symphony was titled 'Strings' which is also the important element in the orchestra. Metaphorically, it involves various performers (Executives) who work in synergy; in accordance to the conductor (Team Leader) to achieve a musical masterpiece (Business Goals). This program has been designed for executives to provide a fresh and inspiring perspective on self-leadership, team synergy and goal setting for business and oneself.

Program Objectives:

- To understand the basics of team formation
- To understand the traits of an effective team player
- To identify and practice methods of dealing with others that promotes team spirit, cooperation and open communication
- To develop techniques for creating cohesive work-groups by recognizing, acknowledging and appreciating one's capabilities
- To foster trust within teams and among team-members
- To focus on importance of low turnaround time
- To develop skills enabling positive action on problems faced by group without causing conflict

So far we have concluded six workshops of 'Strings', where we invited senior leaders to share their inspiring journey to leadership, and their perspective of operational effectiveness and collaborative teamwork. We also invited the managers of 'Symphony' to share their perceptions on the changes post-Symphony workshop and ways

to implement the key take-aways through training in real work life.

The event helped us reinforce the feeling of belongingness and teamwork among the participants. The key message for the participants was that their routine operations also contribute to achieving bigger organizational goals.

Grooming of Contractual Staff

In recent times, there has been considerable rise in the number of contractual employees. Hence, the HRD specially designed a program to groom contractual employees in order to make them aware of the Corporate Culture and strengthen their Communication Skills. The program focused on, code of conduct, IT and security standards, corporate and email etiquettes, time and task management, non-verbal communication, among other.

FTIL Certified Professional Initiative

In our constant endeavor to groom and develop skills, and to keep employees abreast of emerging trends in the industry and technology, we launched FTIL Certified Professional Initiative. It is a development focused initiative that helps the employees in undertaking industry acknowledged Domains and Technology Certification.

In Phase-I of certification drive, 539 employees from FTIL participated in the process, wherein 382 employees undertook technical tests and 156 employees from Business and Audit Manual team participated in MCX Certified Commodity Professional (MCCP) Certification Program. 'Financial Technologies Certified Professional Accreditation' was awarded to the employees who successfully cleared the tests and they became a part of 'the League of FTIL Certified Professionals'.

In Phase-II the certification drive was expanded to development teams of other Group Companies. In addition, IT and networking related certifications, capital market and equity derivative module certifications were underway. Overall, the initiative was successful with a valuable support and involvement of HODs, Team Heads and participants.

FUN@WORK INITIATIVES

Independence Day, 2012

We celebrated the completion of 65 years of Independence with great patriotic spirit and cheer. Activities planned included:

- Clothes, Shoes, Books and Stationery Donation Drive in association with NGOs Mumbai Mobile creches and GOONJ
- Exhibition and Sale of Products made by children of NGO - 'Aseema'

Fun-filled performances on Independence theme by our in-house talent followed by special dance workshop on - 'Spirit of Freedom'. The Celebration started with lighting of Diyas by our Chief Guest Mr. Dewang Neralla, Director (Technology), and the event began with employees paying a tribute to the Nation with the National Anthem. This was followed by floor-wise song performances on the theme.

STILLS 2012

We participated in the 'STILLS 2012' – Corporate Photography Festival organized by Woot Factor and its associates such as Lonely Planet, iStore, Olympus, Apple, etc. The program provided an opportunity to its participants to exhibit their artistic and creative talent, where employees sent original photographs of nature, people, animals, street scene, etc.

clicked by them tagged with a creative caption. This year 'STILLS 2012' – Season 3 was promoted quite innovatively and created a powerful employee connect experience. HR, in association with IT and Communications, rolled out a unique 'Employee Communication Strategy' for encouraging participation. Our IT Team created a special online interface for employees to submit their entries and to create a connect with our employees and get wide-spread participation, we launched a Weekly Bulletin called the STILLS BULLETIN to share with them the Stills Scorecard on a regular basis.

We won the Top Corporate Award (along with Roche Diagnostics) for maximum employee participation and for executing the 'Most-Innovative Marketing Plan' to promote the festival within our organization. To our pride, five of our short-listed entries were displayed for public viewing at the 'Grand Finale STILLS Showcase' and they have been awarded with a Certificate of Appreciation.

DIWALI CELEBRATION, 2012

On 9th November, 2012 we celebrated the auspicious festival of Diwali. Activities planned for the day included,

- CSO-based Event – Exhibition and sale of products by NGOs - IDOBRO
- Traditional Day, floor-wise Decoration, Individual/Group Talent Shows

In the evening, Diwali Celebrations commenced at FT Tower Cafeteria with lighting of Diyas by our Senior Leaders and was followed by floor wise group/individual; performance by the employees. Each floor participated enthusiastically in the performances and the audience was seen cheering and enjoying.

JUNIOR'S DAY, 2012

Juniors' Day Celebration was organized on Christmas Eve with a view to enhance pride, sense of belonging and family bonding amongst members across the organization. Our celebration started with Carol singing by a group of our employees. This was followed by a very lively puppet show by The Puppetarians. The little ones were completely enthralled by the puppetarians and were engrossed all throughout the show. Our Tattoo Corner, Snowman Corner, Lucky Corner, Hair Braiding Corner and Coffee Painting Corner added a special sparkle to the event. Pratham – An NGO held a Books Exhibition of its latest children's Books, Games and Craft models at the venue. The main highlight of the event was the entry of our beloved Santa Claus. At the end of the event, return gifts were distributed to all participating children.

INTERNATIONAL WOMEN'S DAY, 2013

On the occasion of International Women's day, we had arranged an event that displayed the indomitable spirit of a Woman.

As a part of the celebration, a surprise gift was kept at the desk of each woman employee before they arrived at the workstations. In addition, an e-card flashed on their screens wishing them a Happy Women's Day when they switched on their computers. These small gestures received huge appreciation from all women employees. Additionally, IDOBRO organized an exhibition-cum-sale of handicrafts, apparel, stationery, jewellery, home decor and accessories.

All women employees assembled at the celebration venue in evening with a glint of excitement and enthusiasm. The celebration

commenced with a dress walk wherein the participants exhibited different styles of attire that can be worn at different times and occasions. The Dress Walk received huge applaud and cheer from all the women present at the celebration.

A N N U A L R E P O R T 2 0 1 2 - 1 3

DIRECTORS' REPORT

- Financial Performance
- Result of Operations
- Business Overview
- Corporate Social Opportunity
- Statutory Information

DIRECTORS' REPORT

To,

The Members,

Your Directors present the Twenty Fifth Annual Report of your Company together with the Audited Statement of Accounts for the year ended 31st March, 2013.

FINANCIAL PERFORMANCE

(₹ in million, except per share data)

Particulars	Standalone		Consolidated	
	Current Year 2012-13	Previous Year 2011-12	Current Year 2012-13	Previous Year 2011-12
Total Income	6,574.21	7,944.07	9,559.93	8,343.00
Total Operating Expenditure	1,895.71	2,172.10	5,560.04	5,103.90
EBITDA	4,678.50	5,771.97	3,999.89	3,239.10
Interest	428.37	304.42	979.98	671.78
Depreciation/amortization	225.40	173.01	326.82	316.40
Profit before tax	4,024.73	5,294.53	2,693.09	2,250.92
Provision for taxation	795.92	514.24	1,425.46	620.89
Profit after Tax/Net Profit for the year	3,228.81	4,780.29	1,267.63	1,630.03
Add: Net share of profit in associates			1,020.36	1,028.31
Add: Net minority interest in profit of subsidiaries			(13.60)	(17.82)
Profit after Tax/Net Profit for the year	3,228.81	4,780.29	2,274.39	2,640.52
Add: Balance brought forward from previous year	17,951.35	14,125.49	9,090.04	7,404.65
Balance available for appropriation	21,180.16	18,905.78	11,364.43	10,045.17
Appropriations				
Final dividend (proposed)	92.16	92.16	92.16	92.16
Interim dividend	276.47	276.47	276.47	276.47
Tax on dividend	60.51	59.80	61.69	59.80
Transfer to General Reserve	325.30	526.00	325.30	526.00
Transfer to Statutory Reserve			0.82	0.70
Transfer to Security Guarantee Fund			8.47	0
Balance carried forward to Balance Sheet	20,425.72	17,951.35	10,599.52	9,090.04
Earnings per share				
Basic	70.07	103.74	49.36	57.30
Diluted	69.48	103.74	48.42	57.30

RESULT OF OPERATIONS:

Consolidated Financials

- During the year under review, the income from operations grew by 50% to ₹ 752 crores from ₹ 501 crores for the year ended 31st March 2012.
- Net profit (excluding capital gain on sale/redemption of shares and diminution in long term investments) for the year ended 31st March 2013, increased by 239% to ₹ 227 crores from ₹ 67 crores for the year ended 31st March 2012.

Standalone Financials

- The total revenue from operations for the year ended 31st March 2013 was at ₹ 4,509 million as compared to ₹ 4,255 million for the year ended 31st March 2012, an increase of 6%.
- The standalone profit after tax (excluding capital gain on sale/redemption of shares and diminution in long term investments) increased by 21% to ₹ 323 crores from ₹ 267 crores for the year ended 31st March 2012.

Qualification in Audit Report

During the year, there are no qualifications in the Auditor's Report. However the Auditor's report comprising of emphasis of matter with related to standalone and Consolidated Audit Report which has been covered elsewhere in this Annual Report including Management Response.

BUSINESS OVERVIEW

Fiscal Year 2012-13

Your Company's approach has been multipronged, founded on the three pillars viz., Technology, Exchanges and Ecosystem Ventures that define its innovative growth model. The Technology

Vertical of your Company embraces Exchange Technology Solutions, Brokerage Solutions, Connectivity Solutions and Consulting Solutions.

Exchange Technology Solutions are enabling the world's leading exchanges to seamlessly operate in cross-border markets. Keeping pace with the growing needs of the market, Company's Exchange Technology Division has equipped its solutions to cater to fixed income markets as well as newer asset classes, viz. equity derivatives and currency options. This division implemented Energy Market Management System (EMMS) at Gulf Co-operation Council Interconnection Authority (GCCIA) to help seamless exchange of electricity between GCC and the Middle-East countries. GCCIA is a joint stock company subscribed by the six gulf countries (Kuwait, Saudi Arabia, Bahrain, Qatar, the United Arab Emirates and Oman) formed with the objective to provide reliable, competitive and sustainable transmission service.

Your Company also leads in India's brokerage technology solutions space with ODIN™ continuing to be the first choice of every brokerage house in India holding a major market share in the country's electronic trading solutions space. This year, ODIN™'s capabilities were enhanced to integrate with new exchange segments – MCX-SX equity and derivative segments, Universal Commodity Exchange (UCX) commodity futures segment and in primary market for OFS (offer for sale) segment. Also, ISIN-based news integration was enabled with multiple vendors such as Heckyl and TickerPlant, among others.

Risk management system/processes (RMS) are being continually boosted and adapted to the changing global risks scenario and the regulatory structure, by your Company. During the year, RMS modules have been revamped and made more dynamic with addition of many advanced RMS parameters

and features that cater to the growing needs of members to provide robust risk management service to their clients.

During the year under review, your Company launched a new tablet website solution designed to optimize user experience in the iPad and other tablet markets. The Company also launched advanced version of browser-based trading interface and mobile-trading application to provide superior trading experience to customers over the internet. This has enabled customers to access the services anywhere and anytime with contextual interactions.

This year ODIN™ Institutional went live on various execution-based algorithms, institutional order slicing mechanism (block release), IOI (indication of interest) functionality, smart order routing (SOR) and algo orders. Your Company has introduced FIX 24x7 functionality that enables the sell-side brokers to accept orders all day from buy-side clients who route orders from different time-zones across the world.

Another milestone was the addition of the Qualified Depositories Participants (QDP) product suite. These products are specifically developed for QDP as per the recent regulations laid down by SEBI to enable Qualified Foreign Investors (QFI) to participate in the Indian equity markets.

As an endeavor to establish our presence in the OTC Market, your Company launched a new forex trading product 'FX-ELITE'. This solution is specifically developed for providing an automated electronic trading platform for intra-bank dealing of foreign exchange (spot and forward contracts) thus enabling a smoother workflow between the Central Treasury of a Bank and its branches.

Your Company's Consulting Solution - ESG added to its services - Datacenter Hosting, which is a low latency proximity

hosting solution that helps clients to host their servers and connect with various exchanges efficiently using algorithm trading applications. ESG also added Information Security Awareness Programs that enable secured IT Infrastructure for clients.

Along with technological competences and domain expertise, your Company is today the world's largest creator of green-field exchanges and complementing them with ecosystem ventures that strengthen the scope of financial markets. Its wide institutional framework of exchanges and ecosystem ventures formulate a comprehensive market structure not only in India but also globally.

In the commodity exchange space in India, MCX maintained its leadership position with a market share of 87.3% in the year. It has recorded the highest-ever daily turnover of ₹ 1,199.41 billion. MCX launched two new contracts – 'Kapasia Khalli' and 'Silver 1000' during the year.

NSEL, in its bid to enrich its @-Series bouquet of investment product, added the '@-Platinum'. It, also, undertook MSP pulses and oilseed procurement for SFAC in Gujarat, Maharashtra and Rajasthan and procured the agro-commodities worth over ₹ 2.39 cr. In a drive to bring coffee-growers under the umbrella of its services, NSEL signed a pact with Coffee Board of India to create a Warehouse Receipt-based electronic Spot Market for coffee beans.

Your Company's another exchange venture in energy segment; IEX successfully completed 5 years and continues to be India's first and premier power exchange with 95% market share. IEX recorded highest-ever cleared volume 91,675 MWh for delivery day 24th March, 2013 and unconstrained volume of 115,036 MWh for delivery day 31st March 2013 in Day-Ahead Market (DAM) segment. IEX recorded

highest-ever REC traded in a single trading session - 309,892 (March 2013 session).

Among your Company's international exchanges spread across Asia, Middle-East and Africa, SMX has successfully launched the negotiated trade facility across all its products and became a correspondent exchange of World Federation of Exchanges (WEF). SMX bagged 3 Awards at 'FOW Awards for Asia 2012', including the most innovative new contract launch by an Exchange for 'SMEURUSD' and 'SMPEPPER'.

BFX became a member of the Bahrain Association of Banks (BAB). Additionally, BFX futures trading since its launch on 23rd November 2011 up to 31st March 2013, increased to USD 68.16 billion. This year BFX conducted several educational workshops titled 'Understanding the Financial Derivatives Markets from Theory to Practice' for university students in the Kingdom of Bahrain under its corporate social responsibility (CSR) initiatives.

GBOT collaborated with University of Technology, Mauritius, to promote education on financial markets through workshops, certification courses and simulation on GBOT markets. GBOT conducted over 50 EDGE (Empowerment & Development through 'Global Financial Markets' Education) workshops with in-house and external experts from the financial fraternity.

With respect to the ecosystem ventures, NBHC successfully associated with new banks and other financial institutions this year namely, Central Bank of India, Hadoti Kshetriya Gramin Bank, J&K Bank, Dombivli Nagari Sahakari Bank, Ratnakar Bank and L&T Finance Holdings.

atom Technologies is a payment service provider providing payment processing through Internet, IVR,

Mobile and POS. atom Technologies provides financial inclusion technology solutions combining mobile and biometric technologies, and micro-finance products. Amongst other developments, atom Technologies launched IMPS based payment options, and mobile banking. Additionally, it has enhanced its payments portfolio to include multi bank EMI.

Among other notable developments, TickerPlant incorporated new functionalities in its product offerings with commissioned enhancements in decision support tools, pivot point analytics and technical indicators like Ichimoku and smoothed RSI. It has seamlessly integrated MCX-SX Cash and F&O segments, and ACE exchange.

Detailed information on each of these business lines and their respective ventures has been covered elsewhere in this Annual Report.

DIVIDEND

The Company follows a stable dividend payout policy. Your Company has paid consecutive dividend for last 29 quarters which is in accordance with sustainable dividend payout policy of the Company and linked to its long term growth objectives. During the year under review, your Company paid three interim dividends totaling ₹ 276.47 million (₹ 6 per share on par value of ₹ 2/- per share). The Directors recommended a final dividend of ₹ 2/- per share, subject to the approval of the shareholders at the ensuing Annual General Meeting. The total dividend – including interim and final – aggregated ₹ 8/- per share, for the financial year ended 31st March 2013 (previous year ₹ 8/- per share on par value of ₹ 2/- each). The total appropriation on account of interim and final dividend and tax thereon amounts to ₹ 429.15 million.

The final dividend, if approved, will be paid to those members whose names appear in the Register of Members as on the date of the Annual General Meeting.

The break-up of the dividend payouts are as under:

(₹ in million, except dividend per share data)

Particulars	Interim Dividends			Final Dividend	TOTAL
	1 st Interim	2 nd Interim	3 rd Interim	Proposed	
Dividend per share	2	2	2	2	8
Dividend	92.16	92.16	92.16	92.16	368.64
Tax	14.95	14.95	14.95	15.66	60.51
TOTAL	107.11	107.11	107.11	107.82	429.15

TRANSFER TO RESERVES

The Company proposes to transfer ₹ 325.30 million to General Reserve out of the amount available for appropriations and an amount of ₹ 20,425.72 million is proposed to be retained in Profit and Loss Account.

SHARE CAPITAL

There was no change in the Share Capital of the Company during the year under review. As on 31st March 2013, the paid-up equity Share Capital of your Company stood at ₹ 92.16 million comprising 46,078,537 equity shares of ₹ 2/- each.

INVESTMENT

At the end of FY 2012-13, your Company's Investments (current + non-current) stood at ₹ 22,150.76 million, as compared to ₹ 17,380.39 million in the previous year, a healthy increase of 27% over the previous year. The total investment mainly comprised of investment in mutual funds, subsidiaries, joint venture and associate companies. For more details, please refer to the audited financial statements, covered elsewhere in this Annual Report.

HUMAN RESOURCE DEVELOPMENT

Your Company is an entrepreneur driven organization which is managed by industry professionals and stalwarts.

High learning and growth opportunities have seen many employees grow to leadership ranks within a short span of time. Sense of Organization pride and belonging is high, which has resulted in a lower attrition rate and high retention of talent.

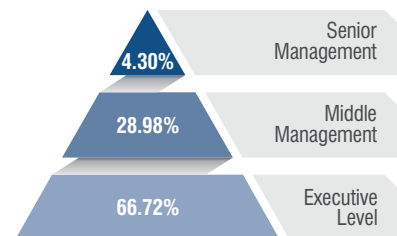
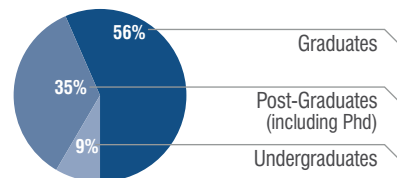
Your Company believes in improving its human capital by way of imparting development programs and trainings. During the year under review your Company launched a number of programs across the board ranging from self-development, soft skill enhancements and leadership programs to name a few. During the year a certification program to evaluate and benchmark technical skills for employees and to have a skill inventory in the organization was organized. Your Company also launched leadership and

soft skills building programs for middle and junior management respectively. All processes with respect to human resources are fully automated and online thus ensuring that information is available at fingertips for employees as well as speed in operations.

Your Company believes that being driven by commitment, aided by technology and quality practices, Financial Technologies is a great place to work.

As of 31st March 2013, the total employee strength (excluding Group Companies) stood at 1,186.

Employee Strength as on 31st March 2013



AWARDS/RECOGNITION

Awards and recognition received by your Company and its associate and subsidiary companies during the year is covered elsewhere in this Annual Report.

SUBSIDIARIES

As per Section 212 of the Companies Act, 1956, Company is required to attach the Directors' Report, Balance Sheet and Profit and Loss of its subsidiaries.

In view of the general exemption granted by the Ministry of Corporate Affairs, the Balance Sheet, Profit and Loss Account,

Report of the Board of Directors and Auditors of the Subsidiaries are not attached and do not form a part of this Annual Report.

These documents will be made available upon written request by any shareholder of the Company interested in obtaining the same. However, the financial data of the subsidiaries has been furnished under 'Statement Regarding Subsidiary Companies', which forms a part of this Annual Report. Further, pursuant to the Accounting Standard AS-21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company includes financial information of its subsidiaries.

The statement pursuant to Section 212 of the Companies Act, 1956, containing details of subsidiaries of the Company, forms a part of this Annual Report.

RELATED PARTY TRANSACTIONS

Your Company, as a part of its core business strategy, promotes and invests in new ventures that utilize your Company's technological capabilities and domain expertise by way of subsidiary companies setting up Exchanges or Ecosystem Ventures. Your Company carries out transactions with related parties on an arms-length basis.

Statement of these transactions given in the Notes to Accounts in compliance of Accounting Standard AS-18, which forms a part of this Annual Report.

EMPLOYEES STOCK OPTION PLAN (ESOP)

During the year under review, the Committee issued 74,350 and 112,280 stock options under ESOP Scheme 2009 and ESOP Scheme 2010, respectively, in lieu of lapsed/cancelled stock options at an exercise price of ₹ 807.70 per share.

As on 31st March 2013, 892,500 and 880,955 stock options under ESOP Scheme 2009 and ESOP Scheme 2010, respectively, are in force.

Requisite disclosure in respect of the Employee Stock Option Scheme in terms of Guidelines of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Share Purchase Scheme) Guidelines 1999, as amended, has been provided in Annexure "B" in this Report.

QUALITY

Streamlined processes, customer orientation, and Information Security have always been of paramount importance in your Company's business agenda. In continuation with its quest for quality driven services, your Company has successfully cleared its surveillance audit for **ISO 9001:2008**, after rigorous audits across its business operations.

Besides effective processes, your Company continues to maintain an effective Information Security driven culture. Its commitment to maintain confidentiality, integrity, and availability of critical information can be witnessed through the retaining of the **ISO 27001:2005** certificate for Information Security. Your Company continues to maintain international standards in the area of information and data security.

Further, your Company continues to maintain best-in-class IT services, and has upgraded its certification for Information Technology Service Management. FTIL has successfully cleared the re-certification audit for **ISO 20000:2011** for its Service Management which is based on the ITIL© framework. IT services within FTIL are aligned with best practices as mandated by this international ISO standard.

This year, your Company has gone a step ahead, and decided to

showcase its dedication towards sustaining the Environment. Your Company has achieved the **ISO 14001:2004** certification for effective Environment Management Standards, and for being an Environment-Friendly organization.

The above certifications are in line with our vision of becoming a globally recognized Company that provides high quality software and business solutions.

CORPORATE SOCIAL OPPORTUNITY (CSO)

During the FY 2012-13, Financial Technologies undertook a review to assess its business implications on society and the environment. Thus, CSO is conceptually integrated into the core businesses with the value proposition of being steady contributors to inclusive and sustainable growth through co-creation of business and social value. The Group CSO function is focused on reviewing material social and environmental impacts and creating internal mechanisms for strengthening and reporting on these.

The key sustainability and inclusion aspects of the Financial Technologies are:

Inclusive growth across multiple value chains:

Given the nature of the group's core businesses, innovation for inclusion is the overarching theme. Its commodity, financial assets and electricity trading exchanges are creating efficient and transparent markets, the most powerful change agents to democratize access to economic opportunities. Together with the ecosystem companies the commodity and financial exchanges impact stakeholders across various value chains, in trading activity, risk management, price discovery, payment and collateral management solutions and information empowerment. The energy exchange has provided a

transparent and efficient platform for trading in electricity and Renewable Energy Certificates thus bringing down the demand-supply gap between buyers and sellers of power, with a positive impact on SME operations as well.

Inclusive product design:

MCX has created micro contracts that make price risk management accessible to small participants exposed to global commodity price volatility. NBHC has been instrumental in making agricultural commodity funding through warehouse receipts a real bankable proposition for banks with its integrated collateral management strategy and it issues receipts for values as small as ₹ 5,000. atom Technologies provides financial inclusion technology solutions combining mobile and biometric technologies, and micro-finance products. TickerPlant offers cost-effective, modular market data services compared with expensive bundled services from existing large players. These services provide information empowerment to farmers and small enterprises across smaller towns and rural India.

Financial market education:

Your Company strongly believes the importance of financial market education in enabling financial inclusion. Through its group ventures, it has been offering various financial market courses to increase awareness on:

1. Advantages of being a part of the formal banking system as against being unbanked.
2. Investing through transparent and efficient financial markets to augment personal growth.
3. Enhance return on personal savings by employing it in formal financial market instruments, contributing to economic development in the process.

Sustainable technology:

Your Company's technological prowess supports green data centres, robust risk-management systems and environmentally efficient operations catering to various businesses as they expand their footprint.

Your Company continues to encourage and support employees who wish to contribute towards social causes and institutions, by offering suitable platforms and an annual calendar of events.

- Annual blood donation drive was held on 28th May 2012 in association with BSES Hospital (Rotary Blood Bank).
- As part of our commitment to our planet, World Environment Day (WED) 2012 - June 5th was celebrated at the office. There was an awareness campaign with employees in alignment with the UNEP – (United Nations Environment Programme)'s theme for WED 2012: 'Green Economy: Does it include you?' as well as a photography talent recognition on the theme of 'Human impact on our environment'.
- A donation drive was organized on 13th and 14th August 2012. Children's clothes and shoes donated by employees were sent to Mumbai Mobile Creches (MMC). MMC is an NGO working for all over development of the children at construction sites. Their creches provide food, health facilities and education to children of construction site workers. Adults' clothes and shoes along with books and stationery were sent to Goonj, the NGO, which channelized the donations for beneficiaries from underprivileged and vulnerable communities.
- Employees participated in the Standard Chartered Mumbai Marathon 2013 and funding so

raised was pledged to Mumbai Mobile Creches (MMC).

- An exhibition of products made by children of NGO – Aseema was held on 14th August 2012. Aseema strives to protect and promote the rights of underprivileged children and women. Products ranging from dupattas, bags, lamp shades, coasters and cards were bought by employees. On Junior's Day and Christmas, an exhibition of books by Pratham - an NGO which works towards providing quality education to underprivileged children in India - was held for the sale of low cost books. On 9th November 2012, on the occasion of Diwali, exhibition of products by members of IDOBRO (a platform for small scale women artisan groups and entrepreneurs) was organized.
- On International Women's Day 2013, FTIL facilitated another IDOBRO sale of handmade artifacts, food products, etc. for employees. We continue to partner with IDOBRO for 'impact shopping', at our office at key events through the year.
- Employees support five NGOs working for different causes through Reach Out - the monthly Payroll Giving programme. These NGOs are Akshay Patra Foundation, National Association for the Blind, Ashadeep Association, Cancer Patients' Aid Association and Save the Children India.
- During the FY 2012-13 the Company has given donations to Charitable institutions for their various charitable activities like for education, health & medical etc.
- To support relief work for victims of the natural disaster that recent struck Uttarakhand, group employees collectively donated a sum of ₹ 3.14 Lakh. Relief

material such as clothes, woolens and dry ration was collected. The monetary and relief material were sent to Goonj, the NGO, which is appropriately channelizing the donations for relief work in the region.

RISK MANAGEMENT

The Risk Management Committee (RMC) was constituted to assist the Board in overseeing responsibilities with regard to identification, assessment, control/mitigation and escalation/monitoring of risks. The RMC is mandated to review, upgrade and penetrate the process to address and minimize the operational and other risks associated with the Company and business units on a continuous basis.

INSURANCE

Your Company's land and building, equipment, automobiles, stores and spares etc. are adequately insured against major risks. Your Company also has appropriate insurance cover primarily for error & omission, commercial general liability and directors & officers' liability, apart from life, mediclaim and accident insurance for all the employees.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has a robust Management Information System which forms an integral part of control mechanism. The Internal control system is improved and modified on an on-going basis to meet the changes in business conditions, accounting and statutory requirements. Internal Audit plays a key role to ensure that all assets are safeguarded and protected and that the transactions are authorized, recorded and reported correctly. The Internal

Auditors independently evaluate the adequacy of internal controls and audit majority of the transactions in value terms.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standard of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The report on Corporate Governance, stipulated by Clause 49 of the Listing Agreement, is annexed hereto, and forms part of this Annual Report.

A Certificate from the Auditors of the Company confirming compliance with Corporate Governance norms, as stipulated in Clause 49 of the Listing Agreement, is annexed to the report on Corporate Governance.

MANAGEMENT DISCUSSION AND ANALYSIS STATEMENT

Management Discussion and Analysis Statement forms part of this Annual Report.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956, and the Company's Articles of Association, Mr. Ravi Sheth and Mr. C. M. Maniar, Directors of your Company, retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, offer themselves for re-appointment.

Mr. P. G. Kakodkar, Independent Director, has resigned from the Board and its Committees and he ceases to be the Director of the Company. Your Directors place on record their appreciation for the valuable advice and guidance provided by Mr. Kakodkar during his long association with the Company.

As per the information available with the Company, none of the Directors of the Company are disqualified for being appointed as a Director as specified in Section 274 of the Companies Act, 1956, as amended.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217 (2AA) of the Companies Act, 1956, the Directors hereby confirm:

- a. that applicable accounting standards have been followed along with the explanation relating to material departures during the preparation of the annual accounts;
- b. that they have selected such accounting policies and applied them consistently and they have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the Company affairs, and profit or loss of the Company, at the end of the financial year;
- c. that they have taken proper and sufficient care to maintain adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that they have prepared the annual accounts on a going concern basis.

BUSINESS RESPONSIBILITY REPORT

SEBI, vide its Circular CIR/CFD/DIL/8/2012 dated 13th August 2012, amended the Listing Agreement to include the Business Responsibility Reporting in Annual Reports of top 100 listed entities. As per the said Circular SEBI mandated that top 100 listed entities, based on market capitalization at BSE and NSE,

include Business Responsibility Report as part of their Annual Report describing the initiative taken by the companies from Environmental, Social and Governance Perspective.

The Business Responsibility Reporting as required by Clause 55 of the Listing Agreement is not applicable to your Company for the financial year ended 31st March 2013.

AUDITORS

M/s. Deloitte Haskins & Sells - Chartered Accountants, the Statutory Auditors, will hold office until the conclusion of the ensuing Annual General Meeting. The Company has received necessary certificate from the Auditors, pursuant to Section 224 (1B) of the Companies Act, 1956 regarding their eligibility for re-appointment. The members are requested to consider appointment of M/s. Deloitte Haskins & Sells as the Statutory Auditors at the ensuing Annual General Meeting.

STATUTORY INFORMATION

i. Fixed Deposits

During the year, your Company has not accepted or invited any deposits from public.

ii. Particulars of Employees

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of

Employees) Rules, 1975, as amended, the name and other particulars of the employees are required to be set out in the Annexure to the Directors' Report. However, as per the provisions of Section 219(1)(b)(iv) of the said Act, the Annual Report, excluding the aforesaid information is being sent to all the Members of the Company and others entitled thereto. Members who are interested in obtaining such particulars may write to the Company at its Registered Office.

iii. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The particulars as prescribed under sub-section (1)(e) of Section 217 of the Companies Act, 1956, read with Companies (Disclosure of particulars in report of the Board of Directors) Rules, 1988, are given in Annexure "A" of this Report.

iv. Transfer of amounts to Investor Education and Protection Fund

Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, relevant amounts which remained unpaid or unclaimed for a period of 7 years have been transferred by the Company to the Investor Education and Protection Fund. Details of the amounts transferred to Investor Education and Protection Fund are covered elsewhere in this Annual Report.

v. "Group"

The list of Group Companies/Associates/Joint Ventures where control exists forms part of this Annual Report.

vi. Special Business

As regards the items mentioned in the Notice of the Annual General Meeting related to Special Business, the resolutions incorporated in the Notice and the Explanatory Statement relating thereto, fully indicate the reasons for seeking the approval of members to those proposals. Members' attention is drawn to these items and Explanatory Statement annexed to the Notice.

ACKNOWLEDGEMENT

Your Directors place on record their gratitude to the Central Government, State Government, clients, vendors, financial institutions, bankers and business associates for their assistance, co-operation and encouragement extended to your Company.

For the continued support of Investors, business associates and unstinting efforts of colleagues, your directors also wish to place on record their sincere thanks and appreciation.

For and on behalf of the Board

Place: Mumbai
Date: 30th July 2013

Dewang Neralla
Whole-time Director

P. R. Barpande
Director

ANNEXURE "A" TO THE DIRECTORS' REPORT

The Information required under Section 217(1)(e) of the Companies Act 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

Conservation of Energy

Your Company is committed to the adoption of various energy saving methods for conservation of energy and has taken adequate measures for the same and installed equipments, which would entail cost efficiency. It continues its endeavor to improve energy conservation and utilization.

Technology Absorption, Research & Development

The Research & Development activity of your Company is mainly focused on the development of new software products to meet customer requirements. Since your Company operates in a sector which witnesses rapid technological change and quality up-gradation, product improvement is given special attention.

The future plan of action also lays stress on the introduction of new software products for both Domestic and Export markets.

Amount spent: Revenue Expenses ₹ 131.01 million (previous year ₹ 128.98 million)

Foreign Earnings & Outgo

The details of foreign exchange earnings and outgo are mentioned in Notes 30(a) & 30(b) of the financial statements.

ANNEXURE “B” TO THE DIRECTORS’ REPORT

Pursuant to the applicable requirements of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (“the SEBI Guidelines”), following disclosures are made in connection with the “Financial Technologies (India) Limited – Employee Stock Option Scheme 2009 and 2010.”

Description	ESOP - 2009	ESOP - 2010
a. Options granted out of the lapsed/cancelled stock options during the year	74,350	112,280
b. Exercise price per option (The exercise price of the option is the market price of the shares as defined under the SEBI Guidelines, as on the grant date)	₹ 807.70 per share	₹ 807.70 per share
c. Options vested	163,630	154,261
d. Options exercised	Nil	Nil
e. Options lapsed/forfeited	81,850	131,325
f. Variations of terms of options	Nil	Nil
g. Money realized by exercise	Nil	Nil
h. Options in force	892,500	880,955
i. Employee wise details of options granted during the year –		
i) Senior Management Personnel		
Mr. Paras Ajmera	51,000	
Mr. Prashant Desai		25,000
Mr. Rajendra Mehta		15,000
Mr. Dilip Tambe		10,000
Mr. Mehmood Vaid		7,500
ii) Employees who receive a grant in any one year of option amounting to 5% or more of options granted during that year – Mr. Paras Ajmera	51,000	Nil
iii) Employees to whom options equal to or exceeding 1% of the issued capital have been granted during the year	Nil	Nil
j. Diluted EPS	69.48	69.48
k. Fair value of the options	249.05	238.67

contd.

Description	ESOP - 2009	ESOP - 2010
l. The Company has followed the intrinsic value-based method of accounting for stock options granted after 1 st April, 2005, based on Guidance Note on Accounting for Employees Share-based payments, issued by the Institute of Chartered Accountants of India. Had the compensation cost of the Company's stock based compensation plan been determined in the manner consistent with the fair value approach as described in the Guidance Note, the impact on Company's net profit and EPS would be:	The Company's Net Profit for the year would be lower by ₹ 200.64 million and earnings per share as indicated as below:	
	Adjusted EPS	₹
	- Basic	65.72
	- Diluted	65.16
m. Description of the method and significant assumptions used during the year to estimate the fair values of the options, including the following weighted average information:		
i) Expected volatility	38.57% to 39.27%	
ii) Option life	1.13 years – 3.13 years	
iii) Dividend yield	0.74%	
iv) Risk-free interest rate	7.80% to 7.83%	
To allow for the effects of early exercise, it is assumed that the employees would exercise the options after vesting date. Expected volatility is based on the historic volatility of the share price over the period that is commensurate with the expected term of options.		

For and on behalf of the Board

Place: Mumbai
Date: 30th July 2013

Dewang Neralla
Whole-time Director

P. R. Barpande
Director

A N N U A L R E P O R T 2 0 1 2 - 1 3

MANAGEMENT DISCUSSION AND ANALYSIS

- Global Financial Markets Review
- Business Overview
- Competitive Strengths
- Financial Position and Result of Operations

MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL FINANCIAL MARKETS REVIEW

It has been over five and a half years since the onset of the financial crisis, and global economy appears to be slowly recovering from it. During this period, world-over new policy tools have been tested in a bid to revive economies. While caution is still in order and any improvement will be slow, conditions are falling into place for recovery.

The US economy seems to be in much better shape with a firming economic recovery, but challenges such as rising joblessness persist. In June 2013, the US Fed's policy-setting panel offered a more upbeat assessment of the risks facing the economy than they had observed when they last met in May 2013. The panel confirmed that the downside risks to the outlook for the economy and the labor market have diminished and inflation appears to have moved back to the panel's long-term goal of 2%. Given the improved scenario, one of the staunch supporters of Quantitative Easing-3 (QE3) program Federal Reserve Chairman Ben Bernanke stated that the US Federal Reserve has decided that sometime towards end-2013 it would initiate the process of tapering QE3 gradually and by mid-2014 the program would come to a halt. The QE3 program comprised USD 85 billion-a-month asset purchase by the US Federal Reserve. At the same time, Mr. Bernanke assured investors and traders that the rate of interest would not be hiked too soon and

will wait till some thresholds, such as bringing the unemployment rate to around 6.5% and maintaining personal consumption expenditure inflation around 2%, are met along the way. However, the move of gradual withdrawal of QE3 did weigh on company shares of stock exchanges world over with decline in their prices, pushing bond yields to a 15-month high and led many currencies to touch to their historic lows vis-à-vis the US dollar.

Euro-zone economies continued to display a mixed picture on its economic performance. The recovery in Euro economies, amidst ongoing fiscal consolidation measures, is likely to take longer than expected. Major economies in the Euro such as the UK and Germany are striving to restore growth. Meanwhile, the risk of Euro-zone break-up had subsided by mid-2012, when the European Central Bank (ECB) decided to support sovereign debt, thereafter the threat of currency break-up is also steadily receding. However, other issues pertaining to lower than potential growth continued to persist. Some of them are ongoing recession, loss of competitiveness, and large pile-up of public and private debt.

As regards currencies, the Euro and British Pound showed volatile trend throughout 2012 and continued to display a similar trend in 2013. However, in June 2013, a positive assessment of the US economy by the US Fed led to strengthening of the US dollar and the subsequent relative depreciation of the Euro and British Pound vis-à-

vis the dollar. Going forward, the trend strengthening of the US dollar against Euro, British Pound and other emerging economies' currencies, seems likely.

BULLION MARKET REVIEW

In the era of economic upheaval post-global financial crisis and the subsequent uncertainty, gold became one of the most sought after assets. During large part of 2012, gold prices rose, and peaked at USD 1,792 per troy ounce in September. However, post-November 2012 a declining trend was seen in gold prices and in April 2013, it declined as investors' perception of gold as the safe haven investment started waning.

On the change in the stance of the US Fed on QE3, gold prices declined further to touch 15-month low of USD 1,290 per troy ounce on 20th June 2013. On this, some analysts opined that gold prices could further go down, while others suggested that it would remain range-bound as there are some persisting risks in the Euro area.

As regards Indian bullion market, the demand for gold kept rising throughout 2012 (as per one of the estimates, during January 2012-March 2013, India imported 215 tonnes of gold). Large import of gold led the Indian Government to impose import duty in September 2012. The imposition of customs duty on gold did relieve some demand pressure for gold in the Indian market.

ASIAN FINANCIAL MARKETS REVIEW

Asian economies' overall performance during 2012 remained short on expectations owing to a number of factors such as lower external demand that led to slower industrial activity, which in turn, impacted the overall economic recovery.

Japan's, one of the major Asian economies, tryst with natural disaster ended sooner than later. However, the economy continued to display overall recessionary and deflationary trend. Mr. Shinzo Abe, who resumed the office of Prime Minister of Japan in December 2012, initiated 'three-arrowed' measures (comprising fiscal stimulus, money printing and structural reforms) to drag the economy out of the decade-long recession, which later came to be known as 'Abenomics'. On the back of these measures, the economy posted GDP growth of 3.5% during the Q1 of 2013 (ending-March) as compared with 0.9% growth recorded during the same period a year ago.

China – one of the fastest growing economies – appears to be cooling down on account of weak external demand. Its growth in 2012 stood at 7.8% as compared to 9.3% in 2011. Recent readings of the flash HSBC Purchasing Managers' Index fell to 48.3 in June 2013 as against the final reading of the same in May 2013 stood at 49.2, drifting away from the 50-point level marking expansion to contraction. HSBC said that the June 2013-level was the weakest level since September 2012 and some of the factors that have led to the contraction are - lower external demand, moderating domestic demand and rising de-stocking pressures. Meanwhile, the Chinese government has assured that it is aware of the developments and it believes more in using reforms to come out of this situation than using the stimulus to sustain the growth.

Other East Asia-Pacific economies such as Malaysia and Indonesia posted economic growth of 7.5% and 6.2% in 2012, respectively. The World Bank Report on the state of these economies, further, stated that the East Asia and Pacific region contributed around 40% of global growth in 2012. These signs of economic revival in the Asia region augur very well for global growth and would improve the overall business environment in 2013.

INDIAN FINANCIAL MARKETS REVIEW

Despite global economic instability and uncertainty Indian economy grew by 5% in 2012-13. This could be attributed to Reserve Bank of India's (RBI) accommodative stance in the credit policy through a number of cuts in key policy rates to boost economic activities. However, high and sticky inflation rate compelled RBI to slow its pace of cuts in interest rates.

Brisk economic activities reflected in Indian capital markets throughout 2012. The markets were buoyant on the back of fund inflows from Foreign Institutional Investors (FIIs) (with net inflow of USD 24.2 billion in 2012 marking a significant rise in funds inflow since a record USD 29.36 billion in 2010), the Sensex rose by 25.7% and Nifty grew by 27.7% during 2012. The outlook for Indian stock markets looks firm and many analysts say that the markets are strong and show potential to rise in the near future.

Lately due to higher current account deficit (CAD) (which stood at USD 18.1 billion or 3.6% of GDP for Q4 of FY13 as against USD 21.7 billion deficit recorded a year earlier), Indian rupee witnessed a volatile phase vis-à-vis the US dollar (it touched ₹ 60.71 against US dollar on 26th June 2013). With the recent liberalization in FDI norms initiated by the

Government of India for some sectors including insurance, telecom and others, capital inflows may improve and, in turn, is expected to give the much-needed support to depreciating rupee vis-à-vis US dollar.

BUSINESS OVERVIEW

Your Company, Financial Technologies (India) Limited (FTIL), actively operated in three business verticals, namely, Technology Vertical, Exchange Vertical and Ecosystem Vertical, that offer robust, transparent and cost-efficient exchange platforms for diverse asset-classes. With the sheer thought of bringing in Change for the better, your Company's business model draws strengths from these three verticals to create a grand vision for tomorrow!

Our business model of setting up and operating efficient markets (exchanges) is well supported by the ecosystem vertical to bring about long-term sustainability and robustness in creating value for all its stakeholders, be it market participants, intermediaries or end-users. Under the exchange vertical, your Company provides transaction opportunities that are transparent and well-regulated, providing mark-to-market valuation, clearing house guarantee, fungibility of deliveries and higher liquidity without associated counter party risks. It also provides the opportunity for cross-listing, margin credits, carry-forward positions across exchanges, enables hedging and creates easy liquidity across connected markets around the world. The ecosystem vertical addresses upstream and downstream opportunities to support its exchanges, including clearing, depository, information vending, and payment gateway, among others.

COMPETITIVE STRENGTHS

The aftermath of global financial crisis of 2008, witnessed rise in the need for safe and secure investment avenues. In such times, your Company’s ability to provide transparent and robust Exchange network has given market participants an opportunity to avail benefits flowing from it. In addition, your Company’s unique ecosystem ventures have captured both upstream and downstream opportunities to support its exchanges, including clearing and depository, information dissemination, warehousing and collateral management, payments processing and financial market education, among others.

Your Company’s disposition of being one of the earliest entrants in India’s trading technology arena with unparalleled market share and dedicated revenue stream provides it competitive strengths vis-à-vis other players. The Company’s unique business model draws synergies from three different business verticals. Its technical expertise in providing trading technology solutions and also creating multi-asset exchanges has helped FTIL to create a niche place for itself.

Your Company maintains its leadership position in the brokerage technology solutions space for both retail domestic and institutional markets. Continuous feature enhancements and product launches are giving an opportunity to broad-base businesses.

Your Company has been led by eminent and competent management of over 30-member leadership team of MD/CEO/Directors with over 600 man years of experience in financial markets and technology. Their domain expertise and rich experience of global best practices has extensively helped the Company to gain confidence from

both – spheres it operates in as well as stakeholders. Also, an instrumental role played by the strong and independent advisory body has enabled the Company to derive rich mix of knowledge and expertise that has added value to your Company’s vision and direction.

CHALLENGES

With regard to challenges, economic upheaval of the past and uncertainty of the future has taken a toll and in the recent global economic climate there could be a ‘wait and watch’ approach by foreign investors.

Recently seen precarious macroeconomic scenario owing to widening current account deficit and weakening of Indian rupee vis-à-vis US dollar could have its impact on foreign capital inflows. This may lead to further deterioration in performance of the economy, which, in turn, would lead to more difficulties of gaining overall business momentum. However, recent move of Government of India on easing of FDI policy in various sectors including multi-brand retail, insurance, among others, could help India attract foreign funds, thereby giving the much required support to weakening rupee.

OUTLOOK

Lately, we notice that large economies are looking up and this would have strong positive impact world-wide including India. In the given environment, your Company aspires to strive hard to further widen the scope of its global exchange network, enable growers/producers to obtain enhanced value for their produce, empower consumers through cost-efficient price discovery, and spreading growth opportunities among various sections of the society.

Your Company, being one of the earliest entrants in trading technology arena, has garnered an unparalleled market share with dedicated revenue stream. Given this disposition, your Company has a far-reaching task of democratizing growth opportunities by creating financial markets in emerging economies. FTIL’s business model co-creates business and social value enabling distribution of benefits of financial markets - especially through transparent price discovery and its agile risk management to all the ecosystem constituents.

In the times of nascent economic recovery in the large economies, your Company will remain focused on delivering value to stakeholders; empower consumers through efficient price discovery mechanism, and spreading growth opportunities among various sections of the society.

FTIL, with its forte in technology advancement, product innovation and operational efficiency with talented human capital, looks at bringing the Change that we want to see!

FINANCIAL POSITION AND RESULT OF OPERATIONS

Shareholder’s Equity

Your Company’s authorized share capital is ₹ 300 million, divided into 150 million equity shares of ₹ 2 each. The paid up share capital of your company stood at ₹ 92.16 million. During the year, there was no change in the paid-up share capital of your Company.

Reserves and Surplus

Your Company’s total reserves and surplus position increased to ₹ 26,676.18 million as on 31st March 2013 from ₹ 24,033.69 million as on 31st March 2012, mainly on account of profit generated during the year.

Securities premium account as at 31st March 2013 stood at ₹ 4,174.61 million. During the year, there was no change in Securities premium account.

The Company has transferred ₹ 325.30 million to General Reserve out of the amount available for appropriations and an amount of ₹ 20,425.72 million is proposed to be retained in Profit and Loss Account. Post transfer, aggregate general reserve of the Company stood at ₹ 2,641.32 million.

Shareholders' Funds

Total shareholder funds increased to ₹ 26,768.34 million as on 31st March 2013 from ₹ 24,125.85 million as on 31st March 2012.

Loan Funds

During the previous year ended 31st March 2012, the Company had availed External commercial borrowings (ECB) aggregating to USD 110.00 million (equivalent to ₹ 5,982.82 million as at 31st March 2013 against ₹ 5,627.22 million as at 31st March 2012) partly for investments in overseas wholly owned subsidiary companies and partly to repay the Zero Coupon Convertible Bonds. The increase in loan liability is due to exchange rate fluctuations during the year. There is no additional loan during the year.

Deferred Tax Liability

During the year, your Company has reported accrual of total net deferred tax liability of ₹ 238.29 million compared to ₹ 137.33 million in the previous year. Deferred tax assets and liabilities are recognized for future tax consequence attributable to timing difference between taxable income and accounting income that are capable of reversing in one or more subsequent periods and are measured at substantively enacted tax rates.

Trade Payable

At the end of the year trade payables stood at ₹ 203.46 million as compared to ₹ 131.28 million at the end of previous year.

Other Liabilities (current + non-current)

Other liabilities at the end of the year amounted to ₹ 2,364.80 million as against of ₹ 1,823.43 million at the end of previous year. The increase is mainly on account of income received in advance for subsequent period.

Provisions (short term + long term)

Total provisions as at the end of the year increased to ₹ 357.26 million as against of ₹ 299.95 million at the end of the previous year. It consists mainly for provision made for estimated loss on Interest Rate Swap Contracts & proposed dividend.

Investments (current + non-current)

The total investments as at 31st March 2013 were at ₹ 22,150.76 million as compared to ₹ 17,380.38 million as at 31st March 2012. The investments mainly comprised of investment in mutual funds, bonds and investments in subsidiaries, joint venture & associate companies. The Company, as a part of its core business strategy, promotes and invests in new ventures that utilize its technological capabilities and domain expertise towards creating world class enterprises. The investment in each such venture is assessed for its risks and is limited to a pre-determined level and will generate returns after the ventures start ramping-up operations in varied time frame depending upon the line of business. The Company, as part of its non-linear business model, will endeavor to unlock value by broadening the investor base of its ventures.

Fixed Assets

(₹ million)		
As on 31 st March,	2013	2012
Freehold Land	466.66	466.66
Leasehold Land	-	81.70
Buildings	2,912.08	2,912.08
Improvement To Leasehold Premises	10.90	43.13
Office Equipments	528.63	463.03
Computer Hardware	471.62	203.17
Furniture and Fixtures	484.10	481.10
Vehicles	65.79	45.32
Intangible assets including Software. Technical know-how etc.	372.02	369.08
Gross Block	5,311.80	5,065.28
Less: Accumulated Depreciation/ Amortisation	541.76	367.95
Net Block	4,770.04	4,697.33
Capital work in progress (excluding capital advances)	-	7.91
Total Fixed Assets	4,770.04	4,705.24

Your Company has been investing and building necessary infrastructure to meet growing requirements of the business.

During the year, the additions to fixed assets (including adjustments in capital work in progress) were at ₹ 238.61 million.

Trade Receivables

As at the end of year, trade receivables (net of provision) were at ₹ 831.05 million as compared to ₹ 362.89 million at the end of the previous year.

Loans & Advances (current + non-current)

At the end of the year, Loans and advances (current + non-current) (net of provision) amounted to ₹ 6,913.68 million as against ₹ 5,404.97 million at the end of previous year. Increase is mainly due to loans and advances to subsidiary companies.

Cash & Cash Equivalents

At the end of the year cash & cash equivalent stood at ₹ 860.62 million as compared to ₹ 3,990.08 million at the end of the previous year. At the end of the year amount kept in deposits and foreign currency account (EEFC) were at ₹ 569.51 million.

Other Assets (current and non-current):

At the end of the year, other assets amounted to ₹ 388.82 million as against ₹ 301.47 million at the end of the previous year.

Revenue Analysis

During the year, revenue from operations stood at ₹ 4,509.01 million compared to ₹ 4,255.48 million in the previous year, an increase of 6.0%. Your Company mainly derived revenues from sale of IPR licenses, annual maintenance charges and project-based services, including software customization.

Other Income

During the year, other income stood at ₹ 2,065.20 million compared to ₹ 3,688.59 million in the previous year. Other Income includes dividend

from investments, interest on deposits and investments, profit on sale of investments, rental income, foreign exchange gains and miscellaneous income. During the previous year ended 31st March 2012, the Company had offered part of its investments under “offer for sale”, in initial public offer of equity by Multi Commodity Exchange of India Limited (MCX), part of its investments and the resultant profit of ₹ 2,498.21 million was included under Profit on sale of investments.

Expense Review

During the year, the operating and other expenses were at ₹ 1,895.71 million as compared to ₹ 1,783.90 million (excluding provision for other than temporary diminution in value of long term investment and Loss on sale/redemption/reduction in shares in subsidiary companies) in the previous year.

During the year finance cost was at ₹ 428.37 million as compared for ₹ 304.42 million, increased mainly due to interest on foreign currency loan for entire year as compared for part of the year in the previous year and also partly on account of provision made for estimated loss on Interest Rate Swap Contracts.

Profit

During the year,

- Profit before finance cost, depreciation and tax was ₹ 4,678.50 million, compared to ₹ 5,771.97 million in the previous year.
- Profit before tax and exceptional items were ₹ 4,024.73 million, compared to ₹ 5,294.53 million in the previous year.
- Profit after tax was ₹ 3,228.81 million, compared to ₹ 4,780.29 million in the previous year.

Cautionary Statements: This report may contain forward-looking statements about Financial Technologies (India) Ltd. and its group companies, including their business operations, strategy and expected financial performance and condition. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or concern future financial performance (including revenues, earnings or growth rates), possible future Company plans and action. Forward-looking statements are based on current expectations and understanding about future events. They are inherently subject to, among other things, risks, uncertainties and assumptions about the Company, economic factors and the industry in general. The Company's actual performance and events could differ materially from those expressed or implied by forward-looking statements made by the Company due to, but not limited to, important factors such as general economic, political and market factors in India and internationally, competition, technological change and changes in Government regulations.

A N N U A L R E P O R T 2 0 1 2 - 1 3

CORPORATE GOVERNANCE

- Report on Corporate Governance
- Board of Directors
- Audit Committee
- General Body Meeting
- Certification

CORPORATE GOVERNANCE

REPORT ON CORPORATE GOVERNANCE

The detailed report on Corporate Governance for the Financial Year 2012-13 as per the format prescribed by the Securities and Exchange Board of India (SEBI) and as incorporated in Clause 49 as per the Listing Agreement is set out hereunder:

1. COMPANY'S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE

Your company's corporate governance is based on a philosophy of trusteeship, transparency, empowerment, accountability, consistency and ethical corporate behaviour.

The Corporate Governance philosophy of the Company has been strengthened with the continuous monitoring of a Code of Conduct for Board of Directors and Senior Management and a Code for Prevention of Insider Trading. Your Company adheres to the corporate practices as per Clause 49 and also constantly strives to adopt emerging best practices globally.

Your Company is in compliance with the requirements stipulated under Clause 49 of the Listing Agreement entered into with Stock Exchanges with regards to Corporate Governance.

In compliance with the disclosure requirements of Clause 49 of the Listing Agreement executed with the Stock Exchanges, the details are set out below:

2. BOARD OF DIRECTORS

2.1 Size and Composition of Board of Directors:

As on 31st March, 2013, the Board of Directors of the Company consists of nine (9) professionally competent members comprising two Promoter designated as Executive Directors, one Whole-time Director and six Non-Executive Directors, of which five are Independent and one Non-Independent Director. The composition of the Board of Directors is as per the table given below:

Name of Director	Director Identification Number (DIN)	Designation	Category	Shareholding in the Company as of 31 st March, 2013 (no. of shares)
Mr. Jignesh P. Shah	00064913	Chairman & MD	Promoter & Executive Director	8,329,585
Mr. Dewang Neralla	00107134	Whole-time Director	Promoter & Executive Director	60,374
Mr. Manjay P. Shah	01283910	Whole-time Director	Executive Director	76,918
Mr. P. G. Kakodkar*	00027669	Director	Independent, Non-Executive	2,150
Mr. Chandrakant Kamdar	00348385	Director	Independent, Non-Executive	Nil
Mr. R. Devarajan	02604441	Director	Independent, Non-Executive	Nil
Mr. C. M. Maniar	00034121	Director	Independent, Non-Executive	Nil
Mr. Ravi K. Sheth	00022121	Director	Non-Independent, Non-Executive	2,489,762
Mr. P. R. Barpande	00016214	Director	Independent, Non-Executive	Nil

*ceased w.e.f. 20.07.2013

None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.

During the year, information mentioned in Annexure IA to Clause 49 of the Listing Agreement has been placed before the Board for its consideration.

2.2 Board Meetings

a) Number of Board Meetings held and the dates thereof:

The Board of Directors met five (5) times during the year. The dates of meetings being 30th May, 2012; 06th August, 2012; 31st October, 2012; 06th December 2012 and 28th January 2013. The maximum time gap between any two meetings was not more than four calendar months.

b) Attendance at the Board Meetings and the last Annual General Meeting:

The table mentioned below gives the attendance record of each Director at the Board Meetings held during FY 2012-13 as well as the last Annual General Meeting. It also gives details of the number of other Directorships and Chairmanship/Membership of Committees each Director holds in various Companies, as on 31st March, 2013.

Name of the Director	No. of Board Meetings held	Attendance Particulars		No. of other Directorships and Committee Membership/Chairmanship		
		Board Meeting	Last AGM	Directorship of other Indian Public Companies	Committee	
					Membership	Chairmanship
Mr. Jignesh P. Shah	5	2	No	5	--	--
Mr. Dewang S. Neralla	5	5	No	9	1	2
Mr. Manjay P. Shah	5	5	No	--	--	--
Mr. P. G. Kakodkar	5	3	No	4	2	--
Mr. Chandrakant Kamdar	5	5	Yes	--	--	--
Mr. R. Devarajan	5	5	Yes	5	5	1
Mr. C. M. Maniar	5	4	No	12	8	--
Mr. Ravi K. Sheth	5	1	No	2	1	--
Mr. P. R. Barpande	5	4	Yes	4	3	--

Notes:

- None of the Directors of the Company hold memberships of more than ten committees nor are they Chairpersons of more than five committees (as specified in Clause 49), across all companies of which they are directors.
- The committees considered for the above purpose are those as specified in the existing Clause 49 of the Standard Listing Agreement(s) i.e. Audit Committee, and Shareholders'/Investors' Grievance & Share Transfer Committee.

c) Code of Conduct:

The Company has formulated and implemented a Code of Conduct for the Board of Directors and Senior Management of the Company. Annual affirmation of compliance with the Code has been made by the Directors and Senior Management of the Company. The Code has also been posted on the Company's website www.ftindia.com. The necessary declaration by the Chairman & Managing Director of the Company regarding compliance of the Code of Conduct by Directors and Senior Management of the Company for the financial year ended 31st March 2013, forms a part of the Corporate Governance Report.

d) Insider Trading Policy:

The Company has implemented the Insider Trading System called "Financial Technologies (India) Limited - Code of Conduct for prevention of Insider Trading ("Share Dealing Code") to comply with the SEBI (Prohibition of Insider Trading) Regulations 1992 issued by SEBI, as amended from time to time.

2.3 The details of directorship of the Company's Directors in other Indian public Companies are given below:

Name of the Director	Other Directorship details
Mr. Jignesh P. Shah	(i) Indian Energy Exchange Ltd., (ii) Multi Commodity Exchange of India Ltd., (iii) MCX Stock Exchange Ltd., (iv) National Bulk Handling Corporation Ltd., (v) National Spot Exchange Ltd.
Mr. Dewang S. Neralla	(i) atom Technologies Ltd., (ii) Boursa India Ltd., (iii) Financial Technologies Communications Ltd., (iv) Global Payment Networks Ltd., (v) Indian Bullion Market Association Ltd., (vi) Riskraft Consulting Ltd., (vii) Tickerplant Ltd., (viii) Trans-Global Credit & Finance Ltd., (ix) FT Projects Ltd.
Mr. P. G. Kakodkar	(i) Apian Finance & Investment Ltd., (ii) Fomento Resorts and Hotels Ltd., (iii) Uttam Galva Steel Ltd., (iv) Accounts Receivable Management Services (India) Ltd.
Mr. Chandrakant Kamdar	Nil
Mr. R. Devarajan	(i) National Bulk Handling Corporation Ltd., (ii) National Spot Exchange Ltd., (iii) Riskraft Consulting Ltd., (iv) Tickerplant Ltd., (v) atom Technologies Ltd.
Mr. C. M. Maniar	(i) Multi Commodity Exchange of India Ltd., (ii) Foods & Inns Ltd., (iii) Godfrey Phillips India Ltd., (iv) Gujarat Ambuja Exports Ltd., (v) Hindalco Industries Ltd., (vi) Indo-Euro Investment Company Ltd., (vii) The Indian Card Clothing Company Ltd., (viii) Pioneer Investcorp Ltd., (ix) Sudal Industries Ltd., (x) TCPL Packaging Ltd., (xi) Varun Shipping Company Ltd., (xii) Utkal Alumina International Ltd.
Mr. Ravi K. Sheth	(i) Greatship (India) Ltd., (ii) The Great Eastern Shipping Co. Ltd.,
Mr. P. R. Barpande	(i) MCX-SX Clearing Corporation Ltd., (ii) Blossom Industries Ltd., (iii) Multi Commodity Exchange of India Ltd., (iv) Westlife Development Ltd.
Mr. Manjay P. Shah	Nil

2.4 Information provided to the Board:

The Board of the Company is presented with all the information whenever applicable and materially significant. This information is submitted either as a part of agenda papers or tabled before the Board Meeting or circulated to the members of the Board. This information inter-alia includes:

- Annual Budget including the capital budget and operating plan of the business.
- Un-audited quarterly results and its business segments.
- Minutes of the Audit Committee and other committees.
- Information on recruitment and remuneration of senior employees, including appointment and removal of Chief Finance Officer & Company Secretary.
- Materially important litigations, show-cause notices, demands, penalties and prosecution.
- Any material default in financial obligations to and by the Company or substantial non-payment for services rendered by the Company.
- Details of any Joint Venture or collaboration or any major new client wins.
- Fatal or serious accidents, dangerous occurrences etc.
- Transactions which involves substantial payment towards goodwill, brand equity or intellectual property.
- Any issue, which involves possible public liability claims of a substantial nature, including any judgement or order, which may have passed strictures on the conduct of the Company or taken adverse view regarding another enterprise that can have negative implications on the Company.
- Any significant development in Human Resources/Industrial Relations front related right from recruitment to retirement issues.
- Sale of material nature of assets, investments, subsidiaries which is not in the normal course of business.
- Non-compliance of any regulatory or statutory provisions or listing requirements as well as services related to shareholders such as non-payment of dividend etc.
- Quarterly details of risk related areas which are material in nature and action initiated by the management to mitigate the same.

3. AUDIT COMMITTEE

3.1 Composition, Names of Members and Chairperson:

The Audit Committee comprises of four Independent Non-Executive Directors:

Name of the Member	Designation	Category
Mr. P. R. Barpande	Chairman/Member	Independent Director
Mr. Chandrakant Kamdar	Member	Independent Director
Mr. P. G. Kakodkar	Member	Independent Director
Mr. R. Devarajan	Member	Independent Director

3.2 Brief Description of terms of reference/Responsibility of the Audit Committee:

The Audit Committee of the Company, inter-alia, provides assurance to the Board on the adequacy of the internal control systems and financial disclosure.

The functioning of the committee includes the following:

- 3.2.1 To oversee the Company's financial reporting process and to ensure correct disclosure of financial information in the financial statement;
- 3.2.2 To recommend the appointment and removal of external auditor, fix audit fees and approval the payment for any other services;
- 3.2.3 To review, discuss with the Management and pre-approve the annual audited financial statements, and quarterly/half-yearly financial statements before submission to the Board focusing primarily on any changes in accounting policies and practices, major accounting entries based on the exercise of judgement by the Management, significant adjustments arising out of audit, the going concern assumptions, compliance with Accounting Standards, compliance with Stock Exchanges and legal requirements concerning financial statements, any related party transactions i.e. the Company's transactions of material nature with Promoters or Management or their relatives, its subsidiaries, etc. that may have potential conflict with the Company's interest at large;
- 3.2.4 To review with the management, external and internal auditors, the adequacy of internal control measures;
- 3.2.5 To review the adequacy of internal audit function;
- 3.2.6 To review the findings of internal investigations into matters where there is suspected fraud or irregularity or failure of internal control system of a material nature and report to the Board thereon;
- 3.2.7 To discuss with the internal auditors any significant findings, recommendations and follow up thereon;
- 3.2.8 To review the financial risk management policies of the Company;
- 3.2.9 To look into the reasons for substantial defaults in the payments to the shareholders and creditors, if any.

3.3 Meetings and Attendance:

The Audit Committee met four times during the year. The maximum time gap between any two meetings was not more than four calendar months. The Chief Finance Officer, Partners/Representatives of the Statutory Auditors and the Internal Auditors were some of the invitees to the Audit Committee meetings. The Company Secretary of the Company acts as the secretary to the Committee.

Name of the Member	No. of Audit Committee Meetings held	Attendance Particulars
Mr. P. R. Barpande	4	3
Mr. Chandrakant Kamdar	4	4
Mr. R. Devarajan	4	4
Mr. P. G. Kakodkar	4	3

4. RISK MANAGEMENT

The Risk Management Committee is inter-alia mandated to review and upgrade the process to address and minimize the operational, monetary and other risks associated with the Company on a continuous basis.

The Company has laid down procedures about the risk assessment and its mitigation. The procedures are reviewed periodically to ensure that risk is controlled through properly defined framework.

5. REMUNERATION AND COMPENSATION COMMITTEE

5.1 Composition, Names of Members and Chairperson

Remuneration and Compensation Committee comprises of four Independent Non-Executive Directors:

Name of the Member	Designation	Category
Mr. Chandrakant Kamdar	Chairman/Member	Independent Director
Mr. P. G. Kakodkar	Member	Independent Director
Mr. R. Devarajan	Member	Independent Director
Mr. P. R. Barpande	Member	Independent Director

5.2 Brief Description of terms of reference:

5.2.1 To review the overall compensation policy and service agreements of the Managing Director and Whole-time Directors and other employees of appropriate cadres;

5.2.2 To evaluate the remuneration paid by comparable organizations;

5.2.3 To review the performance of the Managing Director and Whole-time Director and recommend to the Board in this regard;

5.2.4 To monitor and implement the ESOS/ESOP Scheme and also formulate such schemes hereafter for grant of Stock Options to the employees including the Managing and the Whole-time Director (other than Promoter Directors) in accordance with the relevant regulations in force at the time; To issue and allot equity shares and recommend the same to the Board for its consideration and monitor proper implementation thereof.

During the year, the Committee met three times.

Name of the Member	No. of Remuneration & Compensation Meetings held	Attendance Particulars
Mr. Chandrakant Kamdar	3	3
Mr. P. G. Kakodkar	3	-
Mr. R. Devarajan	3	3
Mr. P. R. Barpande	3	3

5.3 Remuneration Policy:

The Company's inter-alia remuneration policy is determined by the success and performance of the individual employee and the Company. The performance of the individual employee is measured through an annual appraisal process. The Company, through its compensation program, attracts, develops, motivates and retains its talented workforce.

5.4 Directors' Remuneration:

i. Remuneration paid to the Executive Directors:

The aggregate value of salary, perquisites paid for the year ended 31st March, 2013 to the Managing Director and Whole-time Directors are as follows:

(in ₹)

Particulars	Jignesh Shah Managing Director	Dewang Neralla Whole-time Director	Manjay Shah Whole-time Director	TOTAL
Salaries and Allowances*	29,404,500	17,361,812	17,417,041	64,183,353
Monetary value of perquisites	387,916	10,800	39,600	438,316
Provision for compensated absences	490,075	289,364	290,284	1,069,723
Commission	150,000,000	-	-	150,000,000
TOTAL	180,282,491	17,661,976	17,746,925	215,691,392

*Excludes gratuity and compensated absences which are actuarially valued and where separate amounts are not identifiable

Besides, the Managing Director and the Whole-time Directors are also entitled to retirement benefits and encashment of leave, as per the rules of the Company. Notice period of one month is required, as per the terms of appointment. No fee/compensation is payable to the Directors on severance of directorship of the Company.

ii. Remuneration paid to the Non-Executive Directors

The Company pays sitting fees of ₹ 10,000/- per meeting to the Non-executive Directors for attending the meetings of the Board and of the Audit Committee. The gross sitting fees (including sitting fees paid for attending the meetings of the Directors' Committee) for the year ended 31st March, 2013 is as follows:

Name of the Director	Gross Sitting Fees (₹)
Mr. P. G. Kakodkar	60,000
Mr. Chandrakant Kamdar	90,000
Mr. R. Devarajan	90,000
Mr. C. M. Maniar	40,000
Mr. Ravi K. Sheth	10,000
Mr. P. R. Barpande	70,000

During the year, the Non-Executive Directors were not issued any stock options by the Company. For the details of shares held by Directors, refer section 2.1 of this Report.

6. SHAREHOLDERS'/INVESTORS' GRIEVANCE AND SHARE TRANSFER COMMITTEE

6.1 Composition, Names of Members and Chairperson:

The Committee comprises of:

Name of the member	Designation	Category
Mr. C. M. Maniar	Chairman/Member	Independent Director
Mr. Dewang S. Neralla	Member	Whole-time Director
Mr. Manjay P. Shah	Member	Whole-time Director

6.2 Compliance Officer:

Mr. Hariraj S. Chouhan, Vice-President & Company Secretary is the Compliance Officer and can be contacted at FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai – 400 093.
T: +91-22-6686 8010 | **F:** +91-22-6725 0257 | **E:** info@ftindia.com

6.3 Brief Description of terms of reference:

The Committee, inter alia, approves transfer and transmission of shares, issuance of duplicate share certificates and reviews all the matters connected with share transfers. The Committee also looks into the redressal of shareholders/investors complaints related to transfer of shares, non-receipt of Annual Report, non-receipt of dividends etc. received directly or through SEBI (SCORES), Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies etc. Moreover, the Committee oversees the performance of the Registrar & Transfer Agent of the Company. The Committee met seven (7) times during the year under review.

The status of nature of complaints received, resolved and pending during the financial year ended 31st March, 2013.

Nature of Complaints	Received	Resolved	Pending
Non-receipt of share certificate after transfer/merger/split/consolidation	8	8	--
Non-receipt of Annual Report	5	5	--
Non-receipt of Dividend	11	11	--
TOTAL	24	24	--

During the year, no share transfer/ complaints remained pending for more than 30 days. Also, there were no share transfers pending as on 31st March, 2013.

7. GENERAL BODY MEETINGS

7.1 The date, time and venue for the last three Annual General Meetings are mentioned hereunder:

Financial Year	Date	Time	Venue of the meeting
2009-10	29-09-2010	10.30 a.m.	Russian Cultural Centre, 74, Kasturi Ranga Road, Chennai 600 018.
2010-11	29-09-2011	10.30 a.m.	Sri P. Obul Reddy Hall (Vani Mahal) 103, G. N. Chetty Road, T. Nagar, Chennai – 600017.
2011-12	27-09-2012	10.30 a.m.	Sri P. Obul Reddy Hall (Vani Mahal) 103, G. N. Chetty Road, T. Nagar, Chennai – 600017.

Particulars of Special Resolutions passed in the previous three Annual General Meetings:

Financial Year	Date of AGM	Particulars
2009-10	29-09-2010	<ul style="list-style-type: none"> i) Consent of the Shareholders for granting ESOPs under ESOS 2010 to the eligible employees/Directors of the Company. ii) Consent of the Shareholders for granting ESOPs under ESOS 2010 to the eligible employees/Directors of the Subsidiary/ies. iii) Consent of the Shareholders for issuing/offering Depository Receipts/other equity related instruments through International/Domestic Public Offering not exceeding ₹ 1,500 crore. iv) Revision in the salary of Mr. Manjay P. Shah holding office of profit in terms of section 314 (1B) of the Companies Act, 1956.
2010-11	29-09-2011	<ul style="list-style-type: none"> i) Consent of the Shareholders for issuing/offering Depository Receipts/other equity related instruments through International/Domestic Public Offering not exceeding ₹ 1,000 crore.
2011-12	27-09-2012	<ul style="list-style-type: none"> i) Re-appointment of Mr. Jignesh Shah as the Managing Director ii) Re-appointment of Mr. Dewang Neralla as the Whole-time Director iii) Appointment of Mr. Manjay Shah as the Whole-time Director

7.2 Postal Ballot:

During the last financial year, no special resolution was passed through postal ballot. The provisions relating to postal ballot will be complied with as per the provisions of the Companies Act, 1956, as and when a situation arises. Similarly, no business is required to be transacted through postal ballot at the forthcoming Annual General Meeting.

7.3 Disclosures:

7.3.1 The Company has not entered into any transaction of material nature with the Promoter, Directors or Management, or their relatives which may have potential conflict of interest with the Company at large. There were no material transactions with related parties that may have any potential conflict with the interest of the Company at large. Apart from receiving sitting fees, there is no pecuniary transaction with the Independent/Non-Executive Directors. Transactions with related parties are disclosed in Note No. 41 to the Standalone Accounts in the Annual Report.

7.3.2 There were no instances of non-compliances of any matter related to the capital markets, no penalties and strictures were imposed by Stock Exchanges or SEBI or any statutory authority during the last three years, except compounding fees of ₹ 30,000/- and ₹ 60,000/- paid by the Company and its Officers respectively to Ministry of Corporate Affairs in October 2012, for Section 224(8) of the Companies Act, 1956.

7.3.3 No personnel has been denied access to the Audit Committee.

7.3.4 The Company has fulfilled the non-mandatory requirements as prescribed in Annexure ID of Clause 49, which are as under:

- a) Remuneration & Compensation Committee: For further details please refer clause 5 of this report.
- b) Auditor's qualification: Nil
- c) Emphasis of Matter:

Standalone Auditors' Report

- Please refer Note 37 to the financial statements regarding investments made in certain subsidiaries and a joint venture which have accumulated losses and the loans and advances/receivables from these entities, where the provision made for diminution, other than temporary, in the value of investments is considered to be adequate, for the reasons stated in the said Note.

Consolidated Auditors' Report

- Note 42 to the Consolidated Financial Statements regarding the associate Company's stand of not treating members' margin and income thereon as part of Settlement Guarantee Fund (SGF) contemplated under the directions of the Forward Market Commission (FMC) and instead crediting such margins to 'Other current liabilities' and such income to the Statement of Profit and Loss (amounts unascertained) for the reason stated therein.
 - Note 2(C)(iii) to the Consolidated Financial Statements regarding Emphasis of Matter made by the auditors of a jointly controlled entity, wherein it is stated that the consolidated financial statements of the said entity for the year ended 31st December, 2012 have been prepared on a going concern basis, notwithstanding the said entity having incurred a loss ₹ 279.74 lacs (to the extent of the Group's share) and has net liabilities of ₹ 888.65 lacs (to the extent of the Group's share) as on that date, for the reasons stated in the said Note.
- d) Training of Board Members: The Board members are updated about the business model of the Company and also its subsidiaries through presentations at various meetings and by circulating news articles, research report, monthly bulletins etc.

8. SUBSIDIARY COMPANIES:

The Audit Committee periodically reviews significant developments, transactions and arrangements entered into by the unlisted subsidiary Companies. The Audit Committee also reviews on quarterly basis the investments made by the Company into the unlisted Subsidiary Companies and reviews on yearly basis the consolidated financial statements of the Company. The minutes of the Board meetings of the material unlisted subsidiary companies are periodically placed before the Board of Directors of the Company.

9. MEANS OF COMMUNICATION

- 9.1 The quarterly results are published in newspapers, namely Trinity Mirror in English and Makkal Kural in the regional language.
- 9.2 The quarterly and half-yearly financials appear on our corporate website www.ftindia.com under the Investors section.
- 9.3 The Company's audited and un-audited financial results, press releases, other press coverage, press clippings, stock information, Annual Reports, etc, are posted on the Company's Website www.ftindia.com
- 9.4 The Company's financial results, shareholding pattern, corporate announcements, etc, are filed electronically through CFDS portal viz. www.corpfiling.co.in. Similarly, filings like shareholding pattern, corporate governance report etc are filed electronically on NEAPS, an electronic filing application developed by NSE.
- 9.5 Management's Discussion and Analysis Report: This information is covered elsewhere in this Annual Report.
- 9.6 CEO/CFO Certification: This information is covered elsewhere in this Annual Report.

10. GENERAL SHAREHOLDER INFORMATION

10.1 Annual General Meeting:

- Date : 25th September 2013, Wednesday
Time : 2.00 p.m.
Venue : Sri P. Obul Reddy Hall (Vani Mahal) 103, G. N. Chetty Road, T. Nagar, Chennai – 600 017.

10.2 Financial Calendar

Financial Year 1st April, 2013 to 31st March, 2014

Financial Reporting for the quarter ending as per Stock Exchange Listing Agreement (tentative and subject to change):

- | | |
|----------------------------------|---|
| 30 th June, 2013 | By or before 14 th August, 2013 |
| 30 th September, 2013 | By or before 14 th November, 2013 |
| 31 st December, 2013 | By or before 14 th February, 2014 |
| 31 st March, 2014 | By or before 30 th May, 2014 (audited figures) as per Stock Exchange Listing Agreement |

10.3 Book-Closure Date and Dividend Disclosure:

- a) The Books shall be closed from 18th September, 2013 to 25th September, 2013 (both days inclusive) for the purpose of the ensuing Annual General Meeting. The Dividend, if approved by the shareholders at the Annual General Meeting, shall be paid to all shareholders whose names appear
- as beneficial owners at the end of the business day on 17th day of September 2013, as per the details available with NSDL & CDSL, and
 - on the Register of Members as on 17th day of September 2013 of owners holding shares in physical form.

b) Announcement of Dividend:

The Board of Directors have proposed a final dividend of ₹ 2/- (i.e. 100%) per share subject to approval of the shareholders at the ensuing Annual General Meeting. This final dividend, if approved together with three interim dividends, aggregated to a total dividend of ₹ 8/- per share (i.e. 400%).

c) Mode of Payment and Date of Payment:

Final dividend shall be remitted through National Electronic Clearing Service (NECS)/at approved locations, wherever NECS details are available with the Company, and in all other cases, through warrants payable at par. These warrants shall be valid for a period of 90 days. Post-expiry of validity period, these may be sent to the Company's Corporate office at 8th Floor, FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai - 400 093, for issuance of Demand draft/Bankers cheque in lieu of expired warrants.

Date of Payment: Within the statutory time limit.

10.4 Listing

The equity shares of the Company are presently listed on the BSE Limited (formerly Bombay Stock Exchange Ltd.) (BSE), National Stock Exchange of India Ltd. (NSE), Ahmedabad Stock Exchange Ltd. (ASE) and Madras Stock Exchange Limited (MSE).

The Global Depository Receipts are listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF market of the Luxembourg Stock Exchange and quoted on the International Order Book of the London Stock Exchange.

As on 31st March, 2013, there were 48,349 shareholders of the Company.

10.5 Stock Market Codes:

a) Trading Symbol:

Name of the Stock Exchanges	Scrip Code	Reuters	Bloomberg
BSE Ltd.	526881	FITE.BO	FTECH:IN
National Stock Exchange of India Ltd.	FINANTECH	FITE.NS	-
Madras Stock Exchange Ltd.	WTG	-	-
Ahmedabad Stock Exchange Ltd.	67641	-	-
Luxembourg Stock Exchange - (GDR)	FinTechnolIndia GDR ne	-	-

b) Depository for Equity Shares : NSDL and CDSL

c) Demat ISIN Number

- Equity share : INE111B01023

d) GDR Security Numbers

- Regulation S GDRs
 Master Regulation S GDR ISIN: US31769V2060
 Master Regulation S GDR Common Code: 032082424
 Master Regulations S GDR CUSIP: 31769V206

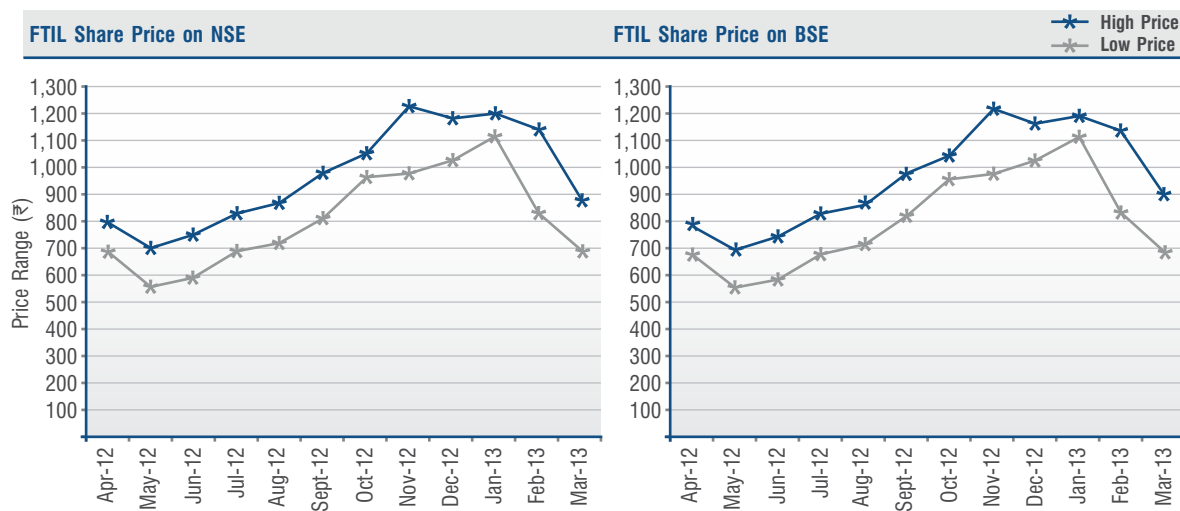
- Rule 144A GDRs
 Master Rule 144A GDR ISIN: US31769V1070
 Master Rule 144A GDR CUSIP: 31769V107
 Master Rule 144A GDR Common Code: 032082823

10.6 Stock Market Data:

(Price in ₹)

Month & Year	NSE			BSE		
	High Price	Low Price	Volume Nos.	High Price	Low Price	Volume Nos.
Apr-12	790.00	678.35	52,53,348	783.50	679.00	13,07,990
May-12	694.85	551.55	48,42,297	694.70	552.05	11,65,974
Jun-12	745.00	583.00	52,37,693	744.80	583.10	13,20,246
Jul-12	824.00	681.30	1,51,57,227	824.90	682.00	35,83,862
Aug-12	862.85	714.55	94,77,134	862.00	716.10	29,29,960
Sep-12	979.80	810.00	66,17,520	978.85	823.90	15,81,094
Oct-12	1,044.00	960.05	53,53,431	1,043.85	960.20	11,60,958
Nov-12	1,221.90	977.75	51,83,248	1,223.80	976.30	10,26,447
Dec-12	1,175.55	1,027.00	36,74,166	1,166.00	1,026.10	6,91,980
Jan-13	1,198.00	1,108.25	42,19,140	1,197.90	1,110.00	8,89,382
Feb-13	1,135.00	825.00	59,18,218	1,134.90	825.10	13,11,288
Mar-13	869.80	690.10	43,58,463	898.40	692.90	8,87,200

The market price data is given below, covering the period April 2012 to March 2013



10.7 Share Price Performance in broad based indices

Performance of the Company's shares vis-à-vis Sensex and CNX Nifty at a common base of 100 for the year-ended 31st March 2013 is given in the chart below:

CHART SHOWING FTIL PRICE IN BSE VS SENSEX

AT A COMMON BASE OF 100 FROM APRIL 2012 TO MARCH 2013

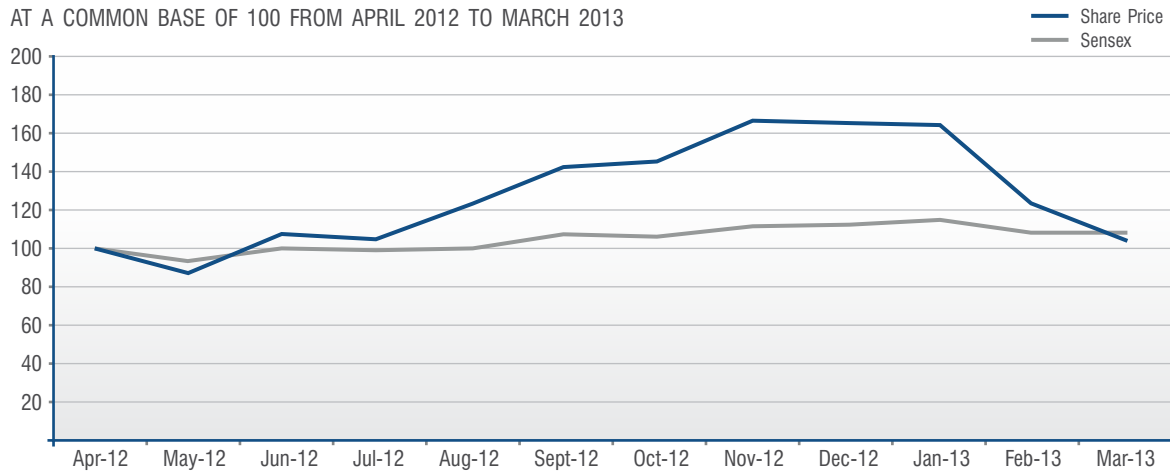
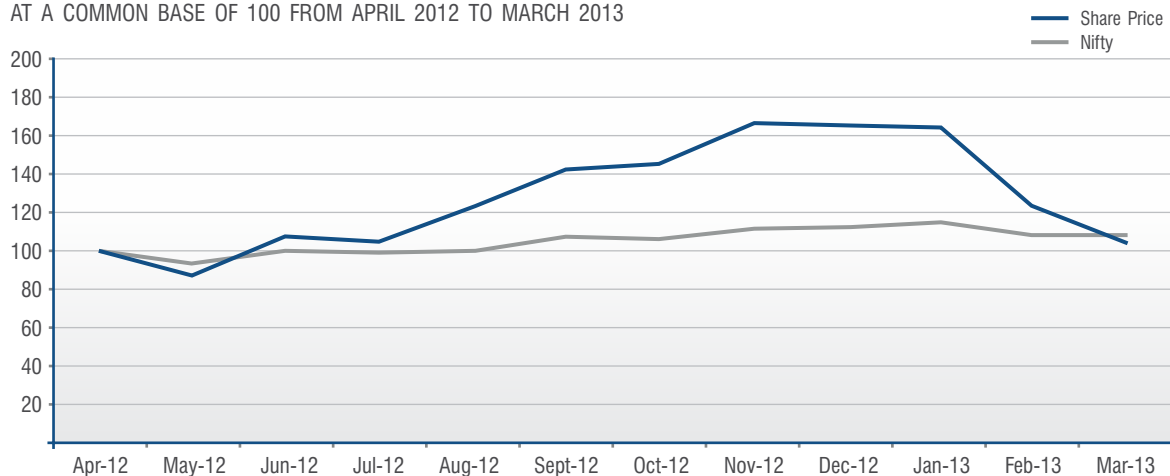


CHART SHOWING FTIL PRICE IN NSE VS CNX NIFTY

AT A COMMON BASE OF 100 FROM APRIL 2012 TO MARCH 2013



10.8 Registrar & Transfer Agent:

Karvy Computershare Private Limited, Plot No. 17 to 24, Vittalrao Nagar, Madhapur, Hyderabad – 500 081.
T: +91 040 2342 0818 | **F:** +91 040 2342 0814 | **E:** igkcpl@karvy.com

10.9 Share Transfer System:

Shares sent for transfer in physical form are generally registered and returned within a period of 15 days from the date of lodgment and demat requests are normally confirmed within an average period of 15 days, provided the documents are clear in all respects.

10.10 Dematerialisation of Shares and Liquidity:

The shares of the Company are compulsorily traded in dematerialized (electronic) form and available for trading under both the Depositories viz. NSDL and CDSL. As on 31st March, 2013, a total of 45,944,662 equity shares of the Company were dematerialised, forming 99.71% of the Company's total Share Capital.

Category	No. of Shareholders	% of Shareholders	No. of Equity Shares	% of Shares
Physical	464	0.96	133,875	0.29
Electronic				
Under CDSL	18,566	38.40	4,211,756	9.14
Under NSDL	29,319	60.64	41,732,906	90.57
TOTAL	48,349	100.00	46,078,537	100.00

Go Green Initiative:

As a part of Green initiative, the Company has taken necessary steps by sending documents viz., Notice of General Meeting, Annual Report etc. by e-mail. Accordingly, the members are requested to register their e-mail Ids with Registrar & Transfer Agent/Depository to enable the Company to send the documents by electronic mode. Physical copies shall be sent to all those members whose e-mail addresses are not registered with the Company and to those who have informed the Company that they wish to receive the documents in physical mode. Members may send their request to the email id: ftilgogreen@karvy.com.

10.11 Distribution of Shareholding and Shareholding Pattern as on 31st March, 2013

Category (Shares)	No. of holders	% to Holders	No. of Shares	% to Equity
1 - 500	46,912	97.02	2,248,845	4.88
501 - 1,000	709	1.47	524,956	1.13
1,001 - 2,000	309	0.64	451,794	0.98
2,001 - 3,000	113	0.23	281,157	0.61
3,001 - 4,000	56	0.12	197,170	0.43
4,001 - 5,000	38	0.08	179,374	0.39
5,001 - 10,000	80	0.17	579,358	1.26
10,001 - and above	132	0.27	41,615,883	90.32
TOTAL:	48,349	100.00	46,078,537	100.00

10.12 Shareholding Pattern:

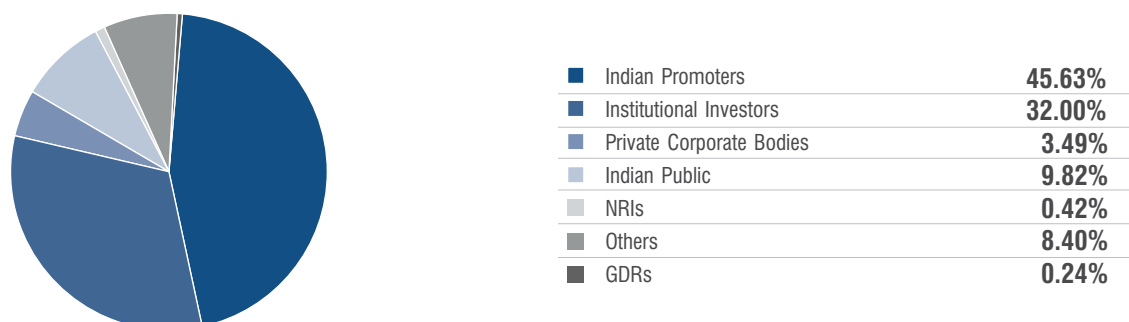
As on 31 st March 2013	No. of Shares Held	% of Share Held
A. Promoter's Holding		
Indian Promoters: (Promoters, Directors, their relatives and companies under their control)	21,027,582	45.63
Foreign Promoters	----	-----
Sub Total (A)	21,027,582	45.63

As on 31 st March, 2013	No. of Shares Held	% of Share Held
B. Public Shareholding:		
Institutional Investors:		
a) Mutual Funds	3,455,011	7.50
b) Banks	93,119	0.20
c) Foreign Institutional Investors	11,161,836	24.22
d) Financial Institutions	36,203	0.08
Non-Institutional Investors:		
a) Private Corporate Bodies	1,605,772	3.49
b) Indian Public	4,524,887	9.82
c) NRIs	195,809	0.42
d) Others	3,869,724	8.40
Subtotal (B)	24,942,361	54.13
GDRs underlying Equity shares	108,594	0.24
Subtotal (C)	108,594	0.24
GRAND TOTAL (A+B+C)	46,078,537	100.00

Notes:

1. The Company issued 11,639,677 GDRs in F.Y. 2007-08, whereby seven GDRs represent one equity share of a nominal value of ₹ 2/- each.
2. The total foreign holding is 11,466,239 shares, i.e. 24.88% of the total share capital.

Shareholding Pattern



10.13 Statutory Compliance:

During the year, your Company has complied with all applicable provisions, filed all returns/forms and furnished all relevant particulars as required under the Companies Act, 1956 and allied Acts and Rules, the Securities and Exchange Board of India (SEBI) Regulations and the Listing Agreements with Stock Exchanges.

10.14 Outstanding GDR/ADR/Warrants or any convertible instruments, conversion date and impact on equity:

10.14.1 Employee Stock Option Scheme (ESOP)

During the financial year 2011-12, the Remuneration and Compensation Committee ('Committee') under ESOP Schemes 2009 and 2010, granted 1,800,000 stock options to various employees at an exercise price of ₹ 770/- per share. Further, from the available options out of lapsed/cancelled stock options on 5th March 2013, the Committee granted 74,350 and 112,280 stock options under ESOP Scheme 2009 and ESOP Scheme 2010 respectively, at an exercise price of ₹ 807.70 per share. As on 31st March 2013, 892,500 and 880,955 stock options under ESOP Scheme 2009 and ESOP Scheme 2010 respectively, are in force.

10.14.2 Global Depository Receipts (GDRs)

The outstanding GDR as on 31st March, 2013 were 760,158.

11. LOCATION OF OFFICES:

1. **Chennai:** Doshi Towers, First Floor, 1A & B, 156, Periyar, EVR Salai, Kilpauk, Chennai – 600 010.
2. **Mumbai:** FT Tower CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai – 400 093.

12. INVESTOR CORRESPONDENCE:

All routine correspondence regarding transfer and transmission of shares, split, consolidation and issue of duplicate/renewed share certificates, etc. should be addressed to the Company's Registrars and Share Transfer Agents.

a) Complaints/grievances, if any, should be addressed to

Vice President & Company Secretary

Financial Technologies (India) Ltd.

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

T: +91 22 6686 8010 | **F:** +91 22 6725 0257 | **E:** info@ftindia.com

b) Financial queries, if any, should be addressed to

Investor Relations Department

Financial Technologies (India) Ltd.

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

T: +91 22 6686 8010 | **F:** +91 22 6725 0257 | **E:** info@ftindia.com

13. UNPAID/UNCLAIMED DIVIDEND:

Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend account, is required to be transferred by a company to the Investor Education and Protection Fund (IEPF), established by the Central Government under the provisions of section 205C of the Companies Act, 1956.

During the year, your Company transferred ₹ 99,659/- (Rupees Ninety Nine Thousand Six Hundred Fifty Nine only) for Final dividend 2004-2005 and ₹ 177,452/- (Rupees One lakh Seventy seven thousand four hundred fifty two only) for interim dividend 2005-06, to Investor Education and Protection Fund (IEPF) on 23rd November, 2012 and 22nd December 2012, respectively.

Shareholders of the Company who have either not received or have not encashed their dividend warrants, for Final Dividend 2005-06, Interim and Final Dividend 2006-07, Interim and Final Dividend 2007-08, Interim and Final Dividend 2008-09, Interim and Final Dividend 2009-10, Interim and Final Dividend 2010-11, Interim and Final Dividend 2011-12, and Interim dividend 2012-13, are requested to claim the unpaid/unclaimed dividend from the Company/Share Transfer Agent of the Company before it is transferred to the IEPF.

Particulars	Rate of Dividend	Date of Declaration	Due for Transfer on or before
Final Dividend 2005-06	260%	29 th September, 2006	03 rd December, 2013
1 st Interim Dividend 2006-07	40%	31 st July, 2006	04 th October, 2013
2 nd Interim Dividend 2006-07	40%	31 st October, 2006	04 th January, 2014
3 rd Interim Dividend 2006-07	40%	31 st January, 2007	06 th April, 2014
4 th Interim Dividend 2006-07	180%	16 th April, 2007	20 th June, 2014
Final Dividend 2006-07	100%	28 th September, 2007	02 nd December, 2014
1 st Interim Dividend 2007-08	50%	31 st July, 2007	04 th October, 2014
2 nd Interim Dividend 2007-08	350%	31 st October, 2007	04 th January, 2015
3 rd Interim Dividend 2007-08	400%	17 th January, 2008	23 rd March, 2015
Final Dividend 2007-08	200%	28 th August, 2008	02 nd November, 2015

Contd.

Particulars	Rate of Dividend	Date of Declaration	Due for Transfer on or before
1 st Interim Dividend 2008-09	200%	31 st July, 2008	05 th October, 2015
2 nd Interim Dividend 2008-09	100%	31 st October, 2008	05 th January, 2016
3 rd Interim Dividend 2008-09	100%	24 th January, 2009	30 th March, 2016
Final Dividend 2008-09	100%	25 th September, 2009	29 th November, 2016
1 st Interim Dividend 2009-10	100%	30 th July, 2009	03 rd October, 2016
2 nd Interim Dividend 2009-10	100%	29 th October, 2009	02 nd January, 2017
3 rd Interim Dividend 2009-10	100%	29 th January, 2010	04 th April, 2017
Final Dividend 2009-10	100%	29 th September, 2010	03 rd December, 2017
1 st Interim Dividend 2010-11	100%	11 th August, 2010	15 th October, 2017
2 nd Interim Dividend 2010-11	100%	09 th November, 2010	13 th January, 2018
3 rd Interim Dividend 2010-11	100%	27 th January, 2011	2 nd April, 2018
Final Dividend 2010-11	100%	29 th September, 2011	03 rd December, 2018
1 st Interim Dividend 2011-12	100%	10 th August, 2011	14 th October, 2018
2 nd Interim Dividend 2011-12	100%	11 th November, 2011	15 th January, 2019
3 rd Interim Dividend 2011-12	100%	31 st January, 2012	06 th April, 2019
Final Dividend 2011-12	100%	27 th September, 2012	02 nd December, 2019
1 st Interim Dividend 2012-13	100%	6 th August, 2012	11 th October, 2019
2 nd Interim Dividend 2012-13	100%	31 st October, 2012	05 th January, 2020
3 rd Interim Dividend 2012-13	100%	28 th January, 2013	3 rd April, 2020

14. SECRETARIAL AUDIT FOR RECONCILIATION OF CAPITAL:

As stipulated by SEBI, a qualified Practising Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges, where the Company's shares are listed. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

Information on Directors Re-appointment:

As required under Clause 49 of the Listing Agreement, particulars of the Director seeking re-appointment are given hereunder:

Directors retiring by rotation, being eligible, offering themselves for re-appointment

Name of the Director	Mr. Ravi K. Sheth
Date of Birth	02-04-1961
Date of appointment on the Board	15-09-1994
Qualifications	B.Com. MBA (Babson College, Wellesley, USA)
Expertise	Business experience of over 27 years
Directorship held in other companies (excluding foreign and private companies)	Greatship (India) Ltd., The Great Eastern Shipping co. Ltd.
Membership/Chairmanship of committees across public companies	-
Number of shares held in the Company	2,489,762

Name of the Director	Mr. C. M. Maniar
Date of Birth	04-12-1935
Date of appointment on the Board	15-10-2010
Qualifications	B.Com., L.L.B., M.A. (Economics & Politics)
Expertise	Over four decades of experience in Legal Profession, Senior Partner of Crawford Bayley & Co., Solicitors & Advocates.
Directorship held in other companies (excluding foreign and private companies)	Multi Commodity Exchange of India Ltd., Foods & Inns Ltd., Godfrey Phillips India Ltd., Gujarat Ambuja Exports Ltd., Hindalco Industries Ltd., Indo-Euro Investment Company Ltd., The Indian Card Clothing Company Ltd., Pioneer Investcorp Ltd., Sudal Industries Ltd., TCPL Packaging Ltd., Varun Shipping Company Ltd., Utkal Alumina International Ltd.
Membership/Chairmanship of committees across public companies	Member of Audit Committee in: Multi Commodity Exchange of India Ltd., Hindalco Industries Ltd., Pioneer Investcorp Ltd., TCPL Packaging Ltd. and Varun Shipping Company Ltd. Member of Shareholders/investors grievance Committee and Share Transfer Committee in: Hindalco Industries Ltd., Pioneer Investcorp Ltd. and Godfrey Phillips India Ltd.
Number of shares held in the Company	Nil

DECLARATION BY THE CHAIRMAN AND MANAGING DIRECTOR UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING COMPLIANCE TO THE CODE OF CONDUCT

I hereby confirm that all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March, 2013.

For **Financial Technologies (India) Ltd.**

Place: Mumbai
Date: 30th May 2013

Jignesh Shah
Chairman and Managing Director

CERTIFICATION OF FINANCIAL STATEMENTS OF THE COMPANY BY THE CHIEF EXECUTIVE OFFICER (CEO) AND THE CHIEF FINANCIAL OFFICER (CFO)

We, Jignesh Shah, Chairman & Managing Director, and Devendra Agrawal, Chief Financial Officer, certify that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2013 and to the best of our knowledge and belief;
 - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
 - these statements together present a true and fair view of the company's affairs, and are in compliance with the existing accounting standards, applicable laws and regulations
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct
3. We accept the responsibility for establishing and maintaining internal controls for financial reporting. We have also evaluated the effectiveness of the internal control systems of the Company with respect to financial reporting and deficiencies in the design or operation of internal controls, if any, have been disclosed to the Auditors and the Audit Committee. They have been intimated about the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee of
 - i. significant changes in internal control during the year;
 - ii. significant changes in accounting policies during the year; the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee who has a significant role in the Company's internal control system over financial reporting.

Jignesh Shah
Chairman and Managing Director

Devendra Agrawal
Chief Financial Officer

Place: Mumbai
Date: 30th May 2013

AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of
Financial Technologies (India) Limited

We have examined the compliance of the conditions of Corporate Governance by **FINANCIAL TECHNOLOGIES (INDIA) LIMITED** ("the Company"), for the year ended 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with relevant Stock Exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied, in all material respects, with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreements.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the state of affairs of the Company.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Registration No.117366W)

Rajesh K. Hiranandani
Partner
(Membership No.: 36920)

Place: Mumbai
Date: 30th July 2013

A N N U A L R E P O R T 2 0 1 2 - 1 3

FINANCIALS

- Standalone
- Consolidated

5

Financials

STANDALONE

INDEPENDENT AUDITORS' REPORT

to the Members of Financial Technologies (India) Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **FINANCIAL TECHNOLOGIES (INDIA) LIMITED** ("the Company") which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Emphasis of Matter

We draw attention to Note 37 to the financial statements regarding investments made in certain subsidiaries and a joint venture which have accumulated losses and the loans and advances/receivables from these entities, where the provision made for diminution, other than temporary, in the value of investments is considered to be adequate, for the reasons stated in the said Note.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required under provisions of Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 117366W)

Rajesh K Hiranandani
Partner
(Membership No. 36920)

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) Having regard to the nature of the Company's business/activities/results during the year, clauses (vi), (viii), (x), (xii), (xiii), (xiv), (xviii), (xix) and (xx) of Paragraph 4 of the Order are not applicable to the Company.
- (ii) In respect of its fixed assets:
- The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii) According to the information and explanations given to us, the Company does not have any inventories as at the balance sheet date since they are being directly delivered to the customers on procurement and therefore, the question of reporting on whether: physical verification has been carried out at reasonable intervals; procedures of physical verification of inventories were reasonable and adequate; and discrepancies noticed on physical verification were material, does not arise. On the basis of our examination, in our opinion, the Company has maintained proper records of its inventories.
- (iv) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (v) In our opinion and according to the information and explanations given to us and having regard to the nature of the Company's business, a comparison of prices could not be made, in respect of income from software products and software services and in respect of some of the items purchased being of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and income from software products and software services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (vi) In our opinion and according to the information and explanations given to us, there are no contracts or arrangements that need to be entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956.
- (vii) In our opinion, the internal audit functions carried out during the year by a firm of Chartered Accountants appointed by the Management have been commensurate with the size of the Company and the nature of its business.
- (viii) According to the information and explanations given to us, in respect of statutory dues:
- The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and other material statutory dues applicable to it with the appropriate authorities.
 - There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and other material statutory dues in arrears as at 31st March, 2013 for a period of more than six months from the date they became payable.
 - Details of dues of Income-tax, Sales Tax, Service Tax and Excise Duty which have not been deposited as on 31st March, 2013 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the amount relates	Amount involved (₹ lacs)
Finance Act, 1994	Service Tax	Commissioner of Service Tax	July 9, 2004 to October 6, 2005; and December, 2004 to March, 2007	244.50
Central Excise Act, 1944	Excise duty (including interest and penalty)	Central Excise and Service Tax Appellate Tribunal	March 1, 2006 to December 20, 2006	203.69
Maharashtra Value Added Tax Act, 2002	Value Added Tax (including interest and penalty)	Joint Commissioner of Sales Tax (Appeal)	2005-2006 to 2009-2010	74.35
Central Sales Tax Act, 1956	Central Sales Tax	Joint Commissioner of Sales Tax (Appeal)	2006-2007	3.12
Income-tax, Act, 1961	Income-tax	Deputy Commissioner of Income Tax (Appeals)	Assessment years: 2009-2010	1,374.79

There were no unpaid disputed dues in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Wealth Tax and Customs Duty as on 31st March, 2013.

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company does not have any dues to financial institutions and has not issued any debentures.
- (x) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by its subsidiary companies from banks and financial institutions are not, prima facie, prejudicial to the interests of the Company.
- (xi) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained, other than temporary deployment pending application.
- (xii) In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have, prima facie, not been used during the year for long-term investment.
- (xiii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants
(Firm Registration No. 117366W)

Rajesh K Hiranandani

Partner
(Membership No. 36920)

MUMBAI, 30th May, 2013

Balance Sheet

as at 31st March 2013

(₹ lacs)

	Note No.	As at 31.03.2013	As at 31.03.2012
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	921.57	921.57
(b) Reserves and surplus	4	266,761.81	240,336.90
		267,683.38	241,258.47
2 Non-current liabilities			
(a) Long-term borrowings	5	59,828.23	56,272.15
(b) Deferred tax liabilities (net)	6	2,382.88	1,373.33
(c) Other long-term liabilities	7	276.72	15.15
(d) Long-term provisions	8	2,153.50	1,457.17
		64,641.33	59,117.80
3 Current liabilities			
(a) Trade payables	9	2,034.63	1,312.79
(b) Other current liabilities	10	23,371.23	18,219.10
(c) Short-term provisions	11	1,419.05	1,542.35
		26,824.91	21,074.24
TOTAL		359,149.62	321,450.51
II. ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	12A	45,607.32	44,303.58
(ii) Intangible assets	12B	2,093.11	2,669.72
(iii) Capital work-in-progress		-	79.12
		47,700.43	47,052.42
(b) Non-current investments	13	89,464.66	82,198.15
(c) Long-term loans and advances	14	60,696.63	46,509.24
(d) Other non-current assets	15	896.86	1,348.84
		198,758.58	177,108.65
2 Current assets			
(a) Current investments	16	132,042.90	91,605.70
(b) Trade receivables	17	8,310.47	3,628.93
(c) Cash and Cash equivalents	18	8,606.20	39,900.83
(d) Short-term loans and advances	19	8,440.16	7,540.49
(e) Other current assets	20	2,991.31	1,665.91
		160,391.04	144,341.86
TOTAL		359,149.62	321,450.51
See accompanying notes forming part of the financial statements		1 to 48	

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Rajesh K Hiranandani
Partner

Place : Mumbai
Date : 30th May, 2013

For and on behalf of the Board

Jignesh Shah
Chairman & Managing Director

Naishadh Desai
Sr. Vice President (Legal)
& Company Secretary

Place : Mumbai
Date : 30th May, 2013

P. R. Barpande
Director

Devendra Agrawal
Chief Financial Officer

Statement of Profit and Loss

for the year ended 31st March, 2013

(₹ lacs)

	Note No.	Year Ended 31.03.2013	Year Ended 31.03.2012
Income			
Revenue from operations	21	45,090.10	42,554.81
Other income	22	20,651.99	36,885.89
Total revenue		65,742.09	79,440.70
Expenses			
Purchases of stock-in-trade	23	31.83	281.34
Employee benefits expense	24	12,410.70	11,248.10
Finance costs	25	4,283.74	3,044.23
Depreciation and amortisation expense	26	2,253.99	1,730.10
Other expenses	27	6,514.55	10,191.59
Total expenses		25,494.81	26,495.36
Profit before tax		40,247.28	52,945.34
Tax expense/(credit)			
(a) Current tax expense for current year		6,949.67	10,133.02
(b) Less: MAT credit		-	(6,276.00)
(c) Current tax expense relating to prior years		-	1,113.60
(d) Net current tax expense		6,949.67	4,970.62
(e) Deferred Tax		1,009.55	171.79
Net tax expense		7,959.22	5,142.41
Profit for the year		32,288.06	47,802.93
Earnings per share:			
	36		
Basic per share (in ₹)		70.07	103.74
Diluted per share (in ₹)		69.48	103.74
Face Value Per Share (in ₹)		2	2
See accompanying notes forming part of the financial statements	1 to 48		

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Rajesh K Hiranandani
Partner

Place : Mumbai
Date : 30th May, 2013

For and on behalf of the Board

Jignesh Shah
Chairman & Managing Director

Naishadh Desai
Sr. Vice President (Legal)
& Company Secretary

Place : Mumbai
Date : 30th May, 2013

P. R. Barpande
Director

Devendra Agrawal
Chief Financial Officer

Cash Flow Statement

for the year ended 31st March, 2013

(₹ lacs)

	Year Ended 31.03.2013		Year Ended 31.03.2012	
A. Cash flow from operating activities				
Net profit before tax		40,247.28		52,945.34
Adjustments for:				
Depreciation and amortisation expense	2,253.99		1,730.10	
Profit on sale of investments (net)	(4,697.86)		(26,891.35)	
(Profit)/Loss on disposal/write off of fixed assets (net)	(460.63)		43.88	
Reversal of write down in value of current investments (net)	(35.44)		(12.64)	
Loss on sale/redemption/reduction in shares in subsidiary companies (net)	-		3,882.35	
Provision for doubtful debts/advances and bad debts written off (net)	159.54		37.68	
Dividend income	(8,300.29)		(5,025.16)	
Finance costs	4,283.74		3,044.23	
Exchange rate fluctuations - loss	3,409.57		2,051.56	
Interest income	(4,193.16)	(7,580.54)	(1,957.24)	(23,096.59)
Operating profit before working capital changes		32,666.74		29,848.75
Adjustments for:				
Trade and other receivables	(5,604.43)		(514.86)	
Trade payables and provisions	5,687.36	82.93	10,993.97	10,479.11
Cash generated from operations		32,749.67		40,327.86
Net Income Tax refund/(paid)		600.34		(5,783.17)
Net cash from operating activities		33,350.01		34,544.69
B. Cash flow from investing activities				
Capital expenditure on fixed assets including capital advances		(4,191.46)		(3,900.65)
Proceeds from sale of fixed assets		1,415.36		38.12
Proceeds on sale/redemption/reduction in shares in subsidiary companies (net of expenses)		-		50,684.07
Purchase of investments in subsidiaries		(1,425.00)		(17,046.62)
Proceeds from partial sale of stake in associates (net of expenses) (Refer Note 38)		-		25,193.63
Purchase of investments - others		(379,601.02)		(315,128.47)
Proceeds from sale of investments - others		340,555.62		293,069.92
Bank balances not considered as Cash and cash equivalents		-		
- Placed		(3,886.66)		10,142.25
- Matured		3,341.79		(5,508.52)
Interest income		2,870.01		2,114.98
Loans given to subsidiary companies		(24,807.81)		(31,550.25)
Loans repaid by subsidiary companies		3,104.78		11,571.05
Dividend income		8,300.29		5,062.12
Cash flow (used in)/from investing activities		(54,324.10)		24,741.63
Tax Paid		(1,151.07)		(3,522.59)
Net cash flow (used in)/from investing activities		(55,475.17)		21,219.04
C. Cash flow from financing activities				
Repayment of Zero Coupon Convertible Bonds including premium on redemption and withholding tax thereon		-		(71,662.68)
Proceeds from External Commercial Borrowings		-		51,178.88
Dividend paid during the year including dividend tax		(4,277.26)		(4,277.09)
Finance costs		(3,100.35)		(3,638.02)
Net cash used in financing activities		(7,377.61)		(28,398.91)
Net (decrease)/increase in cash and cash equivalents		(29,502.77)		27,364.82
Cash and cash equivalents (opening balance)		34,163.62		6,798.80
Cash and cash equivalents (closing balance)		4,660.85		34,163.62

Cash Flow Statement

for the year ended 31st March, 2013 (Contd.)

Notes to cash flow statement:

1. Cash and cash equivalents include cash and bank balances in current and deposit accounts, with original maturities not exceeding three months. Reconciliation of bank balances with cash and cash equivalents is as follows:

(₹ lacs)

	Current Year	Previous Year
Cash and Cash equivalents	4,660.85	34,163.62
Unrealised loss/(gain) on foreign currency cash and cash equivalents	(0.47)	2,336.25
Cash and cash equivalents (Refer Note 18)	4,660.38	36,499.87

2. Fixed deposits with banks with maturity period of more than three months are classified and grouped in investing activities and not included in cash and cash equivalents.
3. Cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard (AS 3) "Cash Flow Statement".

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Rajesh K Hiranandani
 Partner

Place : Mumbai
Date : 30th May, 2013

For and on behalf of the Board.

Jignesh Shah
 Chairman & Managing Director

Naishadh Desai
 Sr. Vice President (Legal)
 & Company Secretary

Place : Mumbai
Date : 30th May, 2013

P. R. Barpande
 Director

Devendra Agrawal
 Chief Financial Officer

Notes

forming part of the financial statements for the Year ended 31st March, 2013

1. GENERAL INFORMATION

The Financial Technologies group is among the global leaders in offering technology IP (Intellectual Property) and domain expertise to create and trade on next-generation financial markets, that are transparent, efficient and liquid, across all asset classes including equities, commodities, currencies and bonds among others. The group is pioneer in end to end Straight Through Processing (STP) solution that support high density transactions. It has developed proprietary technology platform benchmarked against global standard which give it a decisive edge in driving mass disruptive innovation at the speed and cost of execution unmatched in the financial market industry.

The Financial Technologies group operates one of the world's largest network of 9 exchanges connecting fast-growing economies of Africa, Middle East, India and South East Asia. The group also has five ecosystem ventures to address upstream and downstream opportunities around exchanges, including clearing, depository, information vending, and payment gateway among others.

2. SIGNIFICANT ACCOUNTING POLICIES:

A. Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

B. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known/materialise.

C. Fixed assets (tangible assets)

Fixed assets are stated at cost of acquisition or construction and carried at cost less accumulated depreciation and impairment loss, if any.

D. Intangible assets

Intangible assets are recognised only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. Expenditure on an intangible item is expensed when incurred unless it forms part of the cost of intangible asset that meets the recognition criteria. Intangible assets are stated at cost of acquisition and are carried at cost less accumulated amortisation and impairment loss, if any.

E. Operating leases

Assets taken/given on lease under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments/income under operating leases are recognised as expenses/income on a straight line basis over the lease term in accordance with the respective lease agreements.

F. Depreciation and amortisation

Depreciation and amortisation is provided for on straight line basis at the rates prescribed in Schedule XIV to the Companies Act, 1956 except for following assets which are depreciated over the useful lives stated as follows:

ASSETS	ESTIMATED USEFUL LIFE
Leasehold improvements to premises	Period of lease
Premium on leasehold land	Period of lease
Patent and Trademarks	8 years
Technical know-how and computer software	6 years

G. Investments

Current investments are carried at the lower of cost and fair value. Long-term investments are stated at cost less provision for diminution. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management. The difference between carrying amount of the investment determined on average cost basis and sale proceeds, net of expenses, is recognised as profit or loss on sale of investments.

H. Revenue recognition

Revenue is recognised when no significant uncertainty as to determination and realisation exists. Income from software products (IPR based licenses) and income from software services (project based contracts) for the use of software applications is recognised on delivery/granting of right to use.

Revenue from fixed price service contracts is recognised based on milestones/acts performed as specified in the contracts or on a straight line basis over the contract period where performance of several acts is required over that period.

In the case of time and material contracts, revenue is recognised on the basis of hours completed and material used.

Revenue from annual maintenance contracts, lease of licenses, IT infrastructure sharing income and Shared Business Support Services is recognised proportionately over the period in which the services are rendered/licenses are leased.

Notes

forming part of the financial statements for the Year ended 31st March, 2013

Revenue from sale of traded goods is recognised when the significant risks and rewards in respect of ownership of products are transferred by the Company.

Sales are stated net of returns, VAT and service tax wherever applicable.

Dividend income is recognised when the Company's right to receive dividend is established. Interest income is recognised on time proportion basis. Insurance claim is recognised when such claim is admitted by the Insurance Company.

I. Foreign currency transactions and translation

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction.

Monetary items denominated in foreign currency are restated using the exchange rate prevailing at the balance sheet date. Exchange differences relating to long term monetary items are dealt with in the following manner:

- (i) Exchange differences arising during the year, in so far as they relate to the acquisition of a depreciable capital asset are added to/deducted from the cost of the asset and depreciated over the balance life of the asset.
- (ii) In other cases, such differences are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortised to the statement of profit and loss over the balance life of the long-term monetary item.

All other exchange differences are dealt with in the statement of profit and loss.

Non-monetary items denominated in foreign currency are carried at historical cost.

Foreign branches:

The translation of the financial statements of foreign branches (non integral) is accounted for as under:

- (a) All revenues and expenses are translated at average rate.
- (b) All monetary and non-monetary assets and liabilities are translated at the rate prevailing on the balance sheet date.
- (c) Resulting exchange difference is accumulated in Foreign Currency Translation Reserve Account until the disposal of the net investment in the said non integral foreign operation.

J. Derivative instruments

The Company uses derivative financial instruments such as forward foreign exchange contracts entered into for hedging the risks of foreign currency exposure (in respect of highly probable forecasted transactions/firm commitments) and interest rate swaps to hedge its risks associated with fluctuations in interest rate. As per principles of prudence as enunciated in Accounting Standard 1 (AS-1), "Disclosure of Accounting Policies", losses, if any, on Mark to Market basis, are recognised in the statement of Profit and Loss and gains are not recognised on prudent basis.

K. Employee Benefits

(a) Post employment benefits and other long term benefits

Payments to defined contribution retirement schemes and other similar funds are expensed as incurred.

For defined benefit schemes and other long term benefit plans viz. gratuity and compensated absences expected to occur after twelve months, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the balance sheet date. Actuarial gains and losses are recognised in full in the statement of profit and loss for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of the available refunds and reduction in contributions to the scheme.

(b) Short term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period when the employee renders those services. These benefits include compensated absences such as leave expected to be availed within a year and performance incentives.

L. Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. Premium relating to redemption of zero coupon convertible bonds is debited to Securities Premium Account as permitted under section 78 of the Companies Act, 1956. Ancillary borrowing costs are amortised over the period of loan. All other borrowing costs are charged to revenue.

M. Income taxes

Income taxes are accounted for in accordance with Accounting Standard (AS-22) "Accounting for Taxes on Income". Tax expense comprises current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income-Tax Act, 1961. The Company recognises deferred tax (subject to consideration of prudence) based on the tax effect of timing differences, being differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the

Notes

forming part of the financial statements for the Year ended 31st March, 2013

statement of profit and loss using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are not recognised on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the entity will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that entity will pay normal income tax during the specified period.

N. Stock based compensation

The compensation cost of stock options granted to employees is measured by the intrinsic value method, i.e. difference between the market price of the Company's shares on the date of grant of options and the exercise price to be paid by the option holders. The compensation cost, if any, is amortised uniformly over the vesting period of the options.

O. Impairment of assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at lower of the carrying amount that would have been determined had no impairment loss been recognised and recoverable amount.

P. Provisions, contingent liabilities and contingent assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but disclosed by way of notes to the accounts. Contingent assets are neither recognised nor disclosed in the financial statements.

3. SHARE CAPITAL	As at 31.03.2013		As at 31.03.2012	
	Number of shares	₹ lacs	Number of shares	₹ lacs
Authorised:				
Equity shares of ₹ 2/- each	150,000,000	3,000.00	150,000,000	3,000.00
Issued, subscribed and fully paid up:				
Equity shares of ₹ 2/- each	46,078,537	921.57	46,078,537	921.57
TOTAL	46,078,537	921.57	46,078,537	921.57

a. During the period of five years immediately preceding the reporting date, the Company has issued:

- 194,900 (Previous Year 321,030) Equity shares of ₹ 2/- each fully paid-up to the employees under employee stock option ('ESOP') schemes.
- 1,662,811 (Previous Year 1,662,811) Equity shares of ₹ 2/- each fully paid-up against Global Depository Receipts (GDR) issued by the Company.

b. Rights, preferences and restrictions attached to equity shares:

The Company has only one class of shares referred to as equity shares having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend recommended by the Board of Directors is subject to the approval of the shareholders at the ensuing annual general meeting, except in the case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in the proportion of equity shares held.

c. Details of equity shares held by each shareholder holding more than 5% equity shares in the Company:

EQUITY SHARES	As at 31.03.2013		As at 31.03.2012	
	Number of Equity Shares held	% Holding	Number of Equity Shares held	% Holding
La-fin Financial Services Private Limited	12,329,968	26.76	12,329,968	26.76
Jignesh P. Shah	8,329,585	18.08	8,329,585	18.08
Ravi K. Sheth	2,489,762	5.40	2,489,762	5.40
Blackstone GPV Capital Partners Mauritius VI FII Ltd.	3,235,703	7.02	-	-
Elliot & Page Limited*	-	-	2,619,632	5.69
Reliance Capital Trustee Company Limited*	2,268,275	4.92	2,643,339	5.74

*Includes shares held under different sub-accounts/schemes.

d. For particulars of options on unissued capital under employee stock option schemes, Refer Note 43.

Notes

forming part of the financial statements for the Year ended 31st March, 2013

(₹ lacs)

4. RESERVES AND SURPLUS	As at 31.03.2013	As at 31.03.2012
Capital reserve		
Balance as per last Balance Sheet	147.59	147.59
Securities premium account		
Balance as per last Balance Sheet	41,746.61	45,824.64
Less: Premium on redemption of Zero Coupon Convertible Bonds (ZCCB) [net of tax of ₹ Nil (Previous Year ₹ 1,959.03 lacs)]	-	(4,078.03)
	41,746.61	41,746.61
General reserve		
Balance as per last Balance Sheet	23,160.15	17,900.15
Add: Transferred from Statement of Profit and Loss	3,253.00	5,260.00
	26,413.15	23,160.15
Foreign currency translation reserve		
Balance as per last Balance Sheet	(6.28)	(2.38)
(Less)/Add: Effect of foreign exchange rate variation during the year	7.32	(3.90)
	1.04	(6.28)
Foreign currency monetary item translation difference account (FCMITDA)		
Balance as per last Balance Sheet	(4,224.67)	-
Add: Effect of foreign exchange rate variation during the year	(3,556.08)	(9,863.35)
Less: Amortisation during year	1,977.02	5,638.68
	(5,803.73)	(4,224.67)
Surplus in Statement of Profit and Loss		
Balance as per last Balance Sheet	179,513.50	141,254.86
Profit for the year	32,288.06	47,802.93
Less: Appropriations		
Interim Dividends [₹ 6/- per share (Previous Year ₹ 6/- per share)]	2,764.71	2,764.71
Final Dividend (Proposed) [₹ 2/- per share (Previous Year ₹ 2/- per share)]	921.57	921.57
Tax on Dividend	605.13	598.01
Transfer to General Reserve	3,253.00	5,260.00
Total Appropriations	7,544.41	9,544.29
Net surplus in Statement of Profit and Loss	204,257.15	179,513.50
TOTAL	266,761.81	240,336.90
5. LONG-TERM BORROWINGS		
Unsecured term loans from banks		
External commercial borrowings in foreign currency	59,828.23	56,272.15
TOTAL	59,828.23	56,272.15

During the previous year, the Company had availed three foreign currency term loans viz. external commercial borrowings aggregating USD 110 million. Loans of USD 35 million and USD 50 million are repayable in three annual installments (first two installments of 33.33% each and last installment of 33.34%) starting from April 2015 and June 2015 respectively. These loans carry interest at the rate of applicable quarterly LIBOR plus margin of 3.5% p.a. Balance loan of USD 25 million availed, is repayable in nine semi-annual installments (first eight installments of 11% each and last installment of 12%) starting from December 2014. This loan carries interest at the rate of applicable quarterly LIBOR plus margin of 5% p.a.

Notes

forming part of the financial statements for the Year ended 31st March, 2013

(₹ lacs)

6. DEFERRED TAX LIABILITIES (NET)	As at 31.03.2013	As at 31.03.2012
a Deferred tax liability		
Depreciation	2,331.21	1,486.79
Unamortised ancillary borrowing costs	464.11	576.71
	2,795.32	2,063.50
b Deferred tax asset		
Provision for trade receivables, advances etc.	155.80	118.29
Provision for compensated absences and gratuity	256.64	296.77
Tax effect on withholding Tax on ZCCB Premium adjusted against securities premium account to be claimed in tax	-	275.11
	412.44	690.17
Net deferred tax liability	TOTAL 2,382.88	1,373.33
7. OTHER LONG-TERM LIABILITIES		
Income received in advance/unearned revenue	247.54	15.15
Other advances	29.18	-
	TOTAL 276.72	15.15
8. LONG-TERM PROVISIONS		
Provision for employee benefits		
Compensated absences	553.64	506.18
Other provisions		
Provision for estimated loss on interest rate swap contracts	1,599.86	950.99
	TOTAL 2,153.50	1,457.17
9. TRADE PAYABLES		
Other than acceptances		
Dues to micro and small enterprises (Refer Note 31)	13.47	3.53
Others	2,021.16	1,309.26
	TOTAL 2,034.63	1,312.79
10. OTHER CURRENT LIABILITIES		
Interest accrued but not due on borrowings	318.91	271.41
Income received in advance/unearned revenue	7,768.98	3,820.33
Unclaimed dividend*	78.09	71.06
Other payables		
Statutory remittances	579.02	230.79
Payables on purchase of fixed assets	94.07	433.52
Payable to employees and other contractual obligations	2,181.52	1,587.28
Security deposits	606.73	606.73
Advances from customers	11,736.80	11,172.71
Other advances	7.11	25.27
	TOTAL 23,371.23	18,219.10
*No amount due and outstanding to be credited to Investor Education and Protection Fund		
11. SHORT-TERM PROVISIONS		
Provision for employee benefits		
Compensated absences	16.28	218.31
Gratuity (Refer Note 44)	321.29	226.40
	337.57	444.71
Other provisions		
For taxation (net of advance tax there against)	3.29	26.57
Proposed dividend (including tax)	1,078.19	1,071.07
	1,081.48	1,097.64
	TOTAL 1,419.05	1,542.35

Notes

forming part of the financial statements for the Year ended 31st March, 2013

12. Fixed assets

(₹ lacs)

Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK		
	Cost as at 01.04.2012	Additions during the year	Effect of Foreign currency differences /Refer Note 2(i)(i)	Deletion/ Adjustments	Cost as at 31.03.2013	Upto 31.03.2012	For the Year	Deletions/ Adjustments	Upto 31.03.2013	As at 31.03.2013	As at 31.03.2012
A) Tangible assets											
Freehold Land	4,666.60 (4,666.60)	- (-)	- (-)	- (-)	4,666.60 (4,666.60)	- (-)	- (-)	- (-)	- (-)	4,666.60 (4,666.60)	4,666.60 (4,666.60)
Leasehold Land	816.98 (686.75)	- (-)	- (130.23)	816.98 (-)	- (816.98)	44.75 (36.54)	5.71 (8.21)	50.46 (-)	(44.75) (44.75)	- (772.23)	772.23 (650.21)
Buildings*	29,120.83 (25,046.98)	- (1,403.82)	- (2,670.03)	- (-)	29,120.83 (29,120.83)	611.35 (176.16)	474.67 (435.19)	- (-)	1,086.02 (611.35)	28,034.81 (28,509.48)	28,509.48 (24,870.82)
Improvement to Leasehold Premises	431.36 (431.36)	15.26 (-)	- (-)	337.63 (-)	108.99 (431.36)	255.20 (125.92)	133.71 (129.28)	337.63 (-)	51.28 (255.20)	57.71 (176.16)	176.16 (305.44)
Office Equipment	4,630.29 (2,511.48)	790.44 (2,236.71)	- (-)	134.45 (117.90)	5,286.28 (4,630.29)	239.56 (114.39)*	233.71 (184.21)	19.56 (59.04)	453.71 (239.56)	4,832.57 (4,390.73)	4,390.73 (2,397.09)
Computer Hardware	2,031.71 (1,937.31)	2,807.94 (147.75)	- (-)	123.41 (53.35)	4,716.24 (2,031.71)	1,089.77 (839.94)	445.12 (294.43)	89.91 (44.60)	1,444.98 (1,089.77)	3,271.26 (941.94)	941.94 (1,097.37)
Furniture and Fixtures	4,811.00 (3,482.89)	55.48 (1,426.10)	- (-)	25.48 (97.99)	4,841.00 (4,811.00)	321.06 (158.51)*	306.62 (259.97)	4.70 (97.42)	622.98 (321.06)	4,218.02 (4,489.94)	4,489.94 (3,324.38)
Vehicles	453.17 (296.20)	236.53 (177.95)	- (-)	31.80 (20.98)	657.90 (453.17)	96.67 (65.58)	48.05 (38.24)	13.17 (7.15)	131.55 (96.67)	526.35 (356.50)	356.50 (230.62)
TOTAL	46,961.94 (39,059.57)	3,905.65 (5,392.33)	- (2,800.26)	1,469.75 (290.22)	49,397.84 (46,961.94)	2,658.36 (1,517.04)	1,647.59 (1,349.53)	515.43 (208.21)	3,790.52 (2,658.36)	45,607.32 (44,303.58)	44,303.58 (37,542.53)
B) Intangible assets (other than internally generated)											
Trade Mark	6.95 (5.95)	0.24 (1.00)	- (-)	- (-)	7.19 (6.95)	4.39 (3.83)	0.60 (0.56)	- (-)	4.99 (4.39)	2.20 (2.56)	2.56 (2.12)
Technical Know-how	6.33 (6.33)	- (-)	- (-)	- (-)	6.33 (6.33)	6.33 (6.33)	- (-)	- (-)	6.33 (6.33)	- (-)	- (-)
Computer Software	3,677.53 (1,772.80)	29.95 (1,904.73)	- (-)	0.77 (-)	3,706.71 (3,677.53)	1,010.37 (630.36)	605.80 (380.01)	0.37 (-)	1,615.80 (1,010.37)	2,090.91 (2,667.16)	2,667.16 (1,142.44)
TOTAL	3,690.81 (1,785.08)	30.19 (1,905.73)	- (-)	0.77 (-)	3,720.23 (3,690.81)	1,021.09 (640.52)	606.40 (380.57)	0.37 (-)	1,627.12 (1,021.09)	2,093.11 (2,669.72)	2,669.72 (1,144.56)
TOTAL											47,700.43 (46,973.30)

*Includes provision for impairment of fixed assets ₹104.61 lacs (Office Equipment ₹33.06 lacs and Furniture and Fixtures ₹71.55 lacs), adjusted against loss on disposal / write off of fixed assets (net) during the previous year. (Refer Note 27)

**Buildings include ₹843.18 lacs (Previous Year ₹843.18 lacs) on long term lease of 95 years. Previous year figures are given in brackets.

Notes

forming part of the financial statements for the Year ended 31st March, 2013

(₹ lacs)

13. NON - CURRENT INVESTMENTS	As at 31.03.2013	As at 31.03.2012
Long Term Investments (fully paid up, valued at cost unless stated otherwise)		
A. Trade investments (Unquoted):		
(a) In equity shares of subsidiary companies:		
1. 6,040,000 (Previous Year 6,040,000) Equity shares of ₹ 10/- each in IBS Forex Limited [at cost less provision for other than temporary diminution in value ₹ 136.26 lacs (Previous Year ₹ 136.26 lacs)]	467.74	467.74
2. 4,042,500 (Previous Year 4,042,500) Equity shares of ₹ 10/- each in TickerPlant Limited (Refer Note 39)	404.25	404.25
3. 44,999,900 (Previous Year 44,999,900) Equity shares of ₹ 10/- each in National Spot Exchange Limited	4,499.99	4,499.99
4. 170,637,063 (Previous Year 28,137,063) Equity shares of ₹ 1/- each in atom Technologies Limited (Refer Note 39)	1,706.37	281.37
5. 76,000,000 (Previous Year 76,000,000) Equity shares of ₹ 10/- each in National Bulk Handling Corporation Limited	8,221.15	8,221.15
6. 1,000,000 (Previous Year 1,000,000) Equity shares of ₹ 10/- each in Global Payment Networks Limited	100.00	100.00
7. 50,000 (Previous Year 50,000) Equity shares of ₹ 10/- each in Financial Technologies Communications Limited	5.00	5.00
8. 60,002 (Previous Year 60,002) Ordinary shares of USD 1/- each in FT Group Investments Pvt Limited	24.87	24.87
9. 10,002 (Previous Year 10,002) Ordinary shares of USD 1/- each in Knowledge Assets Private Limited	3.98	3.98
10. 3,750,000 (Previous Year 3,750,000) Equity shares of ₹ 10/- each in FT Knowledge Management Limited [at cost less provision for other than temporary diminution in value ₹ Nil lacs (Previous Year ₹ 181.00 lacs)]	375.00	194.00
11. 50,000 (Previous Year 50,000) Equity shares of ₹ 10/- each in Takshashila Academia of Economic Research Limited	5.00	5.00
12. 50,000 (Previous Year 50,000) Equity shares of ₹ 10/- each in Bourse India Limited	5.00	5.00
13. 111,600,001 (Previous Year 111,600,001) Ordinary shares of SGD 1/- each in Financial Technologies Singapore PTE Limited.	36,874.36	36,874.36
14. 5,000 (Previous Year 5,000) Ordinary shares of MUR 1/- each in Financial Technologies Projects Pvt. Limited	0.08	0.08
	52,692.79	51,086.79
(b) In equity shares of a joint venture company:		
1,900 (Previous Year 1,900) Class B shares of USD 1,000/- each in Dubai Gold and Commodities Exchange DMCC	828.78	828.78
(c) In equity shares of associate companies:		
1. 68,23,941 (Previous Year 9,140,302) Equity shares of ₹ 10/- each in Indian Energy Exchange Limited (Refer Note 47)	682.39	914.03
2. 5,750,000 (Previous Year 5,750,000) Equity shares of ₹ 10/- each in MCX-SX Clearing Corporation Limited	575.00	575.00
3. 49,000 (Previous Year 49,000) Equity shares of ₹ 10/- each in SME Exchange of India Ltd.	4.90	4.90
	1,262.29	1,493.93
(d) In equity shares of other companies:		
1. 1,496,500 (Previous Year 1,496,500) Equity shares of ₹ 1/- each in Delhi Stock Exchange Limited	1,047.55	1,047.55
2. 10,000 (Previous Year 10,000) Equity shares of ₹ 10/- each in National Stock Exchange of India Limited	278.47	278.47
3. 27,165,000 (Previous Year 27,165,000) Equity shares of ₹ 1/- each in MCX Stock Exchange Limited (Refer Note 40)	-	271.65
4. 290,000 (Previous Year 290,000) Equity shares of ₹ 10/- each in Vadodara Stock Exchange Limited	134.85	134.85
	1,460.87	1,732.52

Notes

forming part of the financial statements for the Year ended 31st March, 2013

	(₹ lacs)	
		As at 31.03.2012
	As at 31.03.2013	As at 31.03.2012
(e) In Optionally Convertible Preference shares of Subsidiary Companies		
15,000,000 (Previous Year 15,000,000) 5% Optionally Convertible Preference shares of USD 1/- each in FT Group Investments Pvt. Limited.	6,904.50	6,904.50
(f) In warrants of other company		
562,460,000 (Previous Year 562,460,000) Warrants of ₹ 1/- each of MCX Stock Exchange Limited.	5,624.60	5,624.60
Each warrant in MCX-SX entitles the holder to subscribe to one equity share of 1 each of MCX-SX at any time after six months from the date of issue of warrants. The warrants are also freely transferable by endorsement and delivery. The warrants do not carry voting or dividend rights		
Total trade investments - Unquoted (A)	68,773.83	67,671.12
B. Trade Investments (Quoted):		
In equity shares of an associate company:		
13,259,575 (Previous Year 13,259,575) Equity shares of ₹ 10/- each in Multi Commodity Exchange of India Limited (Refer Note 38)(Out of which 10,199,674 shares are locked in for the period of three years till 7 th March 2015)	1,060.77	1,060.77
Total trade investments - Quoted (B)	1,060.77	1,060.77
C. Other than Trade (Unquoted):		
(a) In equity shares of subsidiary companies:		
1. 7,000,000 (Previous Year 7,000,000) Equity shares of ₹ 10/- each in Riskraft Consulting Limited [at cost less provision for other than temporary diminution in value ₹ 634.00 lacs (Previous Year ₹ 634.00 lacs)]	66.00	66.00
2. 50,000 (Previous Year 50,000) Equity shares of ₹ 10/- each in Trans-Global Credit and Finance Limited	5.00	5.00
3. 100 (Previous Year 90) Equity Shares of Rand 1/- each in ICX Platform (Pty) Limited [at cost less provision for other than temporary diminution in value ₹ 454.00 lacs (Previous Year ₹ 273.00 lacs)]	45.13	226.13
4. 5,249,900 (Previous Year 5,249,900) Equity shares of ₹ 10/- each in Credit Market Services Pvt. Limited [at cost less provision for other than temporary diminution in value ₹ 513.00 lacs (Previous Year ₹ 513.00 lacs)]	11.99	11.99
5. 4,313,845 (Previous Year 4,313,845) Equity shares of ₹ 10/- each in Apian Finance & Investment Limited	549.74	549.74
6. 50,000 (Previous Year 50,000) Ordinary shares of ₹ 10/- each in FT Projects Limited	5.00	5.00
	682.86	863.86
(b) In debentures of subsidiary company:		
25 (Previous Year Nil) Unsecured, optionally fully convertible debentures of ₹ 1,00,00,000/- each in FT Projects Limited	2,500.00	-
(c) In bonds:		
150 (Previous Year 150) Units of ₹ 1,000,000/- each of 9.5% IndusInd Bank Limited- Tier II Bonds Issue (Series XIV)	1,500.00	1,500.00
(d) In trust securities:		
97 (Previous Year 97) Class A units of ₹ 100,000/- each towards capital contribution of India Venture Trust- Fund I	97.00	97.00
(e) In Government Securities:		
National Savings Certificate- VIII Issue (deposited with sales tax authorities)	0.20	0.20
(f) In units of mutual funds:		
1. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Axis Fixed Term Plan - Series 34 (392 days) Direct Growth	500.00	-
2. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Birla Sunlife Fixed Term Plan Series EV Growth (391 Days)	-	500.00
3. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Birla Sunlife Fixed Term Series ES - Growth 393 days	-	500.00
4. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of DSP BlackRock FMP - Series 38 - 12.5M - Growth	-	500.00

Notes

forming part of the financial statements for the Year ended 31st March, 2013

(₹ lacs)

	As at 31.03.2013	As at 31.03.2012
5. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of DSP BlackRock FMP - Series 88 - 12.5M - Direct - Growth	500.00	-
6. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of DSP BlackRock FMP - Series 89 - 12M - Direct - Growth	500.00	-
7. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of DSP BlackRock FMP - Series 91 - 12M - Direct - Growth	500.00	-
8. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of DWS Fixed Maturity Plan - Series 6 (394 days) Growth Plan	-	500.00
9. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of HDFC FMP 400D February 2012(1) Growth - Series XXI	-	500.00
10. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of ICICI Prudential FMP Series 63-376 days Plan J Cumulative	-	500.00
11. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of ICICI Prudential FMP Series 67-371 Days Plan C Direct Plan Cumulative	500.00	-
12. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of ICICI Prudential FMP Series 67-371 Days Plan E Direct Plan Cumulative	500.00	-
13. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of ICICI Prudential Interval Fund - Series VI Annual Interval Plan C Direct Plan	500.00	-
14. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of IDBI FMP - 385 Days Series III (March 2013) - B - Growth - Direct	500.00	-
15. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of JP Morgan India Fixed Maturity Plan Series 302 Growth	500.00	-
16. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of L&T FMP - VII (March 13M A) - Direct Plan Growth	500.00	-
17. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of L&T FMP - VII (March 381 D A) Direct Plan Growth	500.00	-
18. Nil (Previous Year 10,000,000.00) units of ₹ 10/- each of L&T FMP - V (March 395DA) - Growth	-	1,000.00
19. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of L&T FMP - VI (March 371 DA) Growth	-	500.00
20. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of LIC Nomura Fixed Maturity plan Series 58 - 392 Days - Direct Growth Plan	500.00	-
21. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of LIC Nomura Fixed Maturity Plan Series 59-392 Days - Direct Growth Plan	500.00	-
22. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Reliance Fixed Horizon Fund-XXI series 11 - Growth Plan	-	500.00
23. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Reliance Fixed Horizon Fund-XXI-Series 18 - Growth Plan	-	500.00
24. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Religare Fixed Maturity Plan - Series XIV Plan A (373 days) Growth Plan	-	500.00
25. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Religare Fixed Maturity Plan - Series XVII Plan D (399 days) Direct	500.00	-
26. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Religare Fixed Maturity Plan - Series XVIII-Plan B (386 days) Direct	500.00	-
27. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Religare Fixed Maturity Plan - series XIII Plan D (386 Days) Growth Plan	-	500.00
28. Nil (Previous Year 10,000,000.00) units of ₹ 10/- each of Religare FMP - Series XIII Plan C-13 months - Growth Plan	-	1,000.00
29. Nil (Previous Year 10,000,000.00) units of ₹ 10/- each of Religare FMP Series XIII Plan F - Growth Plan	-	1,000.00
30. 3,500,000.00 (Previous Year Nil) units of ₹ 10/- each of Sundaram Fixed Term Plan DH 378 Days Direct Growth	350.00	-
31. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Tata Fixed Maturity Plan Series 42 Scheme C Direct Plan - Growth	500.00	-
32. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Taurus Fixed Maturity Plan 377 Days Series Z - Direct Plan	500.00	-

Notes

forming part of the financial statements for the Year ended 31st March, 2013

	As at 31.03.2013	As at 31.03.2012
	(₹ lacs)	
33. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Taurus Fixed Maturity Plan 397 days Series O Growth payout	-	500.00
	8,850.00	9,000.00
Total of other than trade - Unquoted (C)	13,630.06	11,461.06
D. Other than Trade (Quoted):		
In bonds:		
2,000 (Previous year 2,000) Non Convertible 6.85% IIFCL 2014 Tax Free Series II Bonds of ₹ 100,000/- each	-	2,005.20
200,000 (Previous Year Nil) Non Convertible 7.38% REC 2027 Tax Free Series II Bonds of ₹ 1,000/- each	2,000.00	-
200,000 (Previous Year Nil) Non Convertible 7.36% PFC 2028 Tax Free Series II Bonds of ₹ 1,000/- each	2,000.00	-
200,000 (Previous Year Nil) Non Convertible 7.36% IIFCL 2028 Tax Free Series II Bonds of ₹ 1,000/- each	2,000.00	-
Total of other than trade - Quoted (D)	6,000.00	2,005.20
Total Non - current investments (A+B+C+D)	89,464.66	82,198.15
Aggregate amount of Quoted investments	7,060.76	3,065.97
Aggregate market value of listed and Quoted investments	116,531.82	170,369.45
Aggregate amount of Unquoted investments (net of provision for other than temporary diminution)	82,403.90	79,132.18
Aggregate provision for other than temporary diminution in the value of long - term investments	1,737.26	1,737.26
14. LONG-TERM LOANS AND ADVANCES		
Unsecured, considered good		
Capital advances	37.91	42.62
Security deposits	172.43	257.23
Loans and advances to related parties (Refer Note 41)	45,063.63	24,376.07
Loans and advances to employees	305.26	643.08
Prepaid Expenses	391.33	24.43
Balances with government authorities	49.37	31.05
Advance Income Tax less provision there against including fringe benefit tax (other than deferred tax)	6,448.39	12,387.56
MAT credit entitlement	8,228.31	8,747.20
TOTAL	60,696.63	46,509.24
15. OTHER NON-CURRENT ASSETS		
Unamortised ancillary borrowing costs	895.88	1,347.86
Deposits with banks (under lien with banks against bank guarantees)	0.98	0.98
TOTAL	896.86	1,348.84
16. CURRENT INVESTMENTS		
A. Current portion of long-term investments (at cost):		
(a) In bonds (Quoted):		
2,000 (Previous Year 2,000) Non Convertible 6.85% IIFCL 2014 Tax Free Series II Bonds of ₹ 100,000/- each	2,005.20	-
(b) In units of mutual funds (Unquoted):		
1. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of HSBC Fixed Term Series 82 (370 days FMP) - Growth	-	500.00
2. 10,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Baroda Pioneer 367 Day FMP - Series 4 Growth Plan	1,000.00	-
3. 5,004,442.00 (Previous Year Nil) units of ₹ 10/- each of Baroda Pioneer Fixed Maturity Plan - Series A Plan B - Growth	500.44	-
4. 7,317,913.00 (Previous Year Nil) units of ₹ 10/- each of Birla Sunlife Fixed Term Plan - Series GJ Growth - Direct (367 Days)	731.79	-

Notes

forming part of the financial statements for the Year ended 31st March, 2013

(₹ lacs)

	As at 31.03.2013	As at 31.03.2012
5. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Birla Sunlife Fixed Term Plan - Series GM (367 Days) - Growth - Direct	500.00	-
6. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Birla Sunlife Fixed Term Plan Series EF - Growth (370 days)	-	500.00
7. Nil (Previous Year 2,500,000.00) units of ₹ 10/- each of Birla Sunlife Fixed Term Plan Series EK Growth (370 Days)	-	250.00
8. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Birla Sunlife Fixed Term Plan Series EQ Growth (368 days)	-	500.00
9. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Birla Sunlife Fixed Term Plan Series EV Growth (391 Days)	500.00	-
10. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Birla Sunlife Fixed Term Series ES - Growth (393 days)	500.00	-
11. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Birla Sunlife Interval Income Fund - Annual Plan 3 - Growth - Direct	500.00	-
12. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Birla Sunlife Short Term Fixed Term Plan Series EI Growth (368 Days)	-	500.00
13. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of BNP Paribas Fixed Term Fund - Series 25 - Direct - Growth	500.00	-
14. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of BSL Fixed Term Plan - Series GO (369 Days) - Growth - Direct	500.00	-
15. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of BSL Fixed Term Plan - Series GQ (367 Days) - Growth - Direct	500.00	-
16. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of DSP BlackRock FMP - Series 32 - 12M Growth	-	500.00
17. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of DSP BlackRock FMP - Series 38 - 12.5M - Growth	500.00	-
18. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of DSP BlackRock FMP - Series 43 - 12M Growth	500.00	-
19. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of DSP BlackRock FMP - Series 59 - 12M - Growth	500.00	-
20. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of DSP BlackRock FMP - Series 61 - 12M - Growth	500.00	-
21. 2,170,933.33 (Previous Year Nil) units of ₹ 10/- each of DSP BlackRock FMP - Series 64 - 12M - Growth	217.09	-
22. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of DSP BlackRock FMP - Series 66 - 12M - Growth	500.00	-
23. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of DSP BlackRock FMP - Series 84- 12M - Direct - Growth	500.00	-
24. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of DSP BlackRock FMP - Series 87- 12M - Direct - Growth	500.00	-
25. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of DSP BlackRock FMP - Series 90 - 12M - Direct - Growth	500.00	-
26. 5,001,333.51 (Previous Year Nil) units of ₹ 10/- each of DWS Fixed Maturity Plan - Series 27-Direct Plan - Growth	500.13	-
27. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of DWS Fixed Maturity Plan Series 6 (394 days) Growth	500.00	-
28. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of DWS Fixed Maturity Plan Series 1 (370 days) Growth	-	500.00
29. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of DWS Fixed Maturity Plan Series 3 (370 days) Growth	-	500.00
30. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of DWS Fixed Maturity Plan Series 5 (370 days) Growth	-	500.00
31. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of HDFC Annual Interval Fund Series 1 - Plan B - Direct Growth	500.00	-
32. 3,908,207.00 (Previous Year Nil) units of ₹ 10/- each of HDFC FMP 371D August 2012(1) Growth Series 22	390.82	-

Notes

forming part of the financial statements for the Year ended 31st March, 2013

(₹ lacs)

	As at 31.03.2013	As at 31.03.2012
33. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of HDFC FMP 371D February 2013(1) - Direct - Growth	500.00	-
34. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of HDFC FMP 371D July 2012 (2) - Growth Series 22	500.00	-
35. 3,000,000.00 (Previous Year Nil) units of ₹ 10/- each of HDFC FMP 372D Jan 2013 (3) Series 23 - Direct - Growth	300.00	-
36. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of HDFC FMP 372D July 2012 (1) - Growth Series 22	500.00	-
37. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of HDFC FMP 400D February 2012(1) Growth	500.00	-
38. Nil (Previous Year 4,071,077.00) units of ₹ 10/- each of ICICI Prudential FMP Series 61 - 1 year Plan C cumulative	-	407.11
39. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of ICICI Prudential FMP Series 63 - 1 Year Plan B Cumulative	-	500.00
40. 5,027,676.00 (Previous Year 5,027,676.00) units of ₹ 10/- each of ICICI Prudential FMP Series 63 -370 days Plan D Growth	502.77	502.77
41. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of ICICI Prudential FMP Series 63 - Plan J Growth (376 days)	500.00	-
42. 4,509,669.53 (Previous Year Nil) units of ₹ 10/- each of ICICI Prudential FMP Series 66 - 366 Days Plan F Direct Plan Cumulative	450.97	-
43. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of ICICI Prudential FMP Series 66 - 366 Days Plan H Direct Plan Cumulative	500.00	-
44. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of ICICI Prudential FMP Series 66 - 368 Days Plan B Direct Cumulative	500.00	-
45. 5,021,974.00 (Previous Year Nil) units of ₹ 10/- each of ICICI Prudential FMP Series 67 - 366 Days Plan B Direct Plan Cumulative	502.20	-
46. 5,043,133.77 (Previous Year Nil) units of ₹ 10/- each of ICICI Prudential Regular Savings Fund - Regular Plan - Quarterly Dividend	516.74	-
47. 3,001,472.05 (Previous Year Nil) units of ₹ 10/- each of IDBI FMP - 367 Days Series III (February 2013) - A -Growth - Direct	300.15	-
48. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Indiabulls Fixed maturity Plan 370 Days - Series 1- Growth Plan	500.00	-
49. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of JM Fixed Maturity Plan Series XXIII - 369 Days Plan A (Direct) Growth	500.00	-
50. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of JP Morgan India Fixed Maturity Plan Series 17 - Direct - Growth	500.00	-
51. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of L&T FMP - V (February 368D A) Growth	-	500.00
52. 9,000,000.00 (Previous Year Nil) units of ₹ 10/- each of L&T FMP - VII (December 369 DA) - Growth	900.00	-
53. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of L&T FMP - VII (March 367 D A) Direct Plan Growth	500.00	-
54. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of L&T FMP Series 6 - Plan E - Growth	-	500.00
55. 10,000,000.00 (Previous Year Nil) units of ₹ 10/- each of L&T FMP - V (March 395DA) - Growth	1,000.00	-
56. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of L&T FMP - VI (March 371 DA) - Growth	500.00	-
57. 1,679,702.36 (Previous Year Nil) units of ₹ 10/- each of L&T Triple Ace Bond Fund - Growth	500.00	-
58. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Peerless Fixed Maturity Plan Series 1 Direct Plan Growth Option	500.00	-
59. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Reliance Fixed Horizon Fund - XXII - Series 35 - Growth Plan	500.00	-
60. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Reliance Fixed Horizon Fund XXI-Series 5 Growth Plan	-	500.00

Notes

forming part of the financial statements for the Year ended 31st March, 2013

(₹ lacs)

	As at 31.03.2013	As at 31.03.2012
61. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Reliance Fixed Horizon Fund XXI - Series 8 Growth Plan	-	500.00
62. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Reliance Fixed Horizon Fund - XXI Series 11 - Growth Plan	500.00	-
63. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Reliance Fixed Horizon Fund-XXII Series 15 Growth Plan	500.00	-
64. 10,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Reliance Fixed Horizon Fund - XXII - Series 6 - Growth Plan	1,000.00	-
65. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Reliance Fixed Horizon Fund - XXI - Series 18 - Growth Plan	500.00	-
66. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Reliance Yearly Interval Fund - Series 2 - Direct Plan Growth Plan	500.00	-
67. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Reliance Yearly Interval Fund - Series 3 - Direct Plan - Growth Plan	500.00	-
68. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Reliance Yearly Interval Fund - Series 4 - Direct Plan - Growth Plan	500.00	-
69. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Religare Fixed Maturity Plan - Series XI Plan E (371 days) Growth Plan	-	500.00
70. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Religare Fixed Maturity Plan - Series XIV Plan A (373 days) Growth Plan	500.00	-
71. 3,500,000.00 (Previous Year Nil) units of ₹ 10/- each of Religare Fixed Maturity Plan - Series XVII - Plan B (369 days) Direct Plan	350.00	-
72. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Religare Fixed Maturity Plan - Series XVIII Plan D (368 days) Direct	500.00	-
73. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Religare Fixed Maturity Plan - Series XVIII - Plan A (369 days) Direct	500.00	-
74. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Religare Fixed Maturity Plan - Series XII - Plan C (368 days) Growth Plan	-	500.00
75. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Religare Fixed Maturity Plan - Series XIII Plan D (386 Days) Growth Plan	500.00	-
76. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Religare FMP - Series XII Plan A (370 days) Growth Plan	-	500.00
77. 10,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Religare FMP - Series XIII Plan C-13 months - Growth Plan	1,000.00	-
78. 10,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Religare FMP Series XIII Plan F - Growth Plan	1,000.00	-
79. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of SBI Debt Fund Series 366 days - 10 Growth	500.00	-
80. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of SBI Debt Fund Series 366 days - 12 Growth	500.00	-
81. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of SBI Debt Fund Series 366 days - 20 Growth	500.00	-
82. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of SBI Debt Fund Series -366 Days 22 Direct Plan - Growth	500.00	-
83. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of SBI Debt Fund Series 366 days - 8 Growth	500.00	-
84. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Sundaram Fixed Term Plan DE 367 Days Direct Growth	500.00	-
85. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Sundaram Fixed Term Plan DG 366 Days Direct Growth	500.00	-
86. Nil (Previous Year 4,998,500.00) units of ₹ 10/- each of Sundaram Interval Fund Quarterly Plan A Institutional Dividend	-	500.00
87. Nil (Previous Year 3,373,975.00) units of ₹ 10/- each of Tata Fixed Maturity Plan 39 Scheme A Growth	-	337.40
88. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Tata Fixed Maturity Plan Series 42 Scheme A Direct Plan - Growth	500.00	-

Notes

forming part of the financial statements for the Year ended 31st March, 2013

	As at 31.03.2013	As at 31.03.2012
	(₹ lacs)	
89. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Taurus Fixed Maturity Plan - 369 Days Series X - Growth Plan Direct	500.00	-
90. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Taurus Fixed Maturity Plan - 370 Days Series M - Growth Plan	-	500.00
91. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Taurus Fixed Maturity Plan 366 Days Series Y - Direct Plan	500.00	-
92. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Taurus Fixed Maturity Plan 369 Days Series U - Growth Plan	500.00	-
93. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Taurus Fixed Maturity Plan 397 days Series O - Growth payout	500.00	-
94. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Union KBC Fixed Maturity Plan Series 6 (366 days) - Growth- Direct Plan	500.00	-
95. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of UTI - Fixed Income Fund Series XIV - I (366 Days) - Direct Plan - Growth	500.00	-
96. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of UTI - Fixed Income Fund Series XIV - II (366 Days) - Direct Plan - Growth	500.00	-
97. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of UTI - Fixed Income Fund Series XIV - VI (366 Days) - Direct Plan - Growth	500.00	-
98. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of UTI - Fixed Income Fund Series XIV - VII (367 Days) - Direct Plan - Growth	500.00	-
	40,663.10	10,497.28
Total current portion of long - term investments (A)	42,668.30	10,497.28
B. Other current investments (fully paid up, valued at lower of cost and fair value) (Unquoted investments):		
(a) In equity shares of associate companies:		
23,16,361 (Previous Year Nil) Equity shares of ₹ 10/- each in Indian Energy Exchange Limited (Refer Note 47)	231.64	-
(b) In equity shares of other companies		
1. 27,165,000 (Previous Year Nil) Equity shares of ₹ 1/- each in MCX Stock Exchange Limited (Refer Note 40)	271.65	-
2. 1,033,952 (Previous Year 1,033,952) Equity Shares of MUR 1/- each in Knowledge Economies Limited. (Under Liquidation) [at cost less provision for diminution (write down) in the value of investment of ₹ 80.85 lacs (Previous Year ₹ 80.85 lacs)]	59.59	121.63
	331.24	121.63
(c) In units of mutual funds:		
1. Nil (Previous Year 2,925,491.65) units of ₹ 10/- each of Reliance Medium Term Fund-Daily Dividend Plan	-	500.14
2. Nil (Previous Year 4,999.85) units of ₹ 1000/- each of PineBridge Liquid Fund-Super Institutional Daily Dividend	-	50.05
3. 47,057.28 (Previous Year Nil) units of ₹ 1000/- each of Axis Banking Debt Fund - Direct Plan - Growth	500.00	-
4. 3,493,266.73 (Previous Year Nil) units of ₹ 10/- each of Axis Dynamic Bond Fund - Growth Plan	400.00	-
5. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Axis Fixed Term Plan Series 20 (3 months) Dividend Payout	-	500.00
6. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Axis Fixed Term Plan Series 23 (3 months) Dividend Payout	-	500.00
7. Nil (Previous Year 37,776.79) units of ₹ 1000/- each of Axis Treasury Advantage Fund - Institutional DDR	-	377.81
8. Nil (Previous Year 650,176.28) units of ₹ 1000/- each of Baroda Pioneer Liquid Fund - Institutional Daily Dividend Plan	-	6,505.86
9. 8,504,630.77 (Previous Year Nil) units of ₹ 10/- each of Baroda Pioneer PSU Bond Fund Plan A - Growth Plan	1,000.00	-
10. 3,642,438.78 (Previous Year Nil) units of ₹ 10/- each of Birla Sun Life Short Term Fund - Growth	1,500.00	-

Notes

forming part of the financial statements for the Year ended 31st March, 2013

	(₹ lacs)
	As at 31.03.2013
	As at 31.03.2012
11. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Birla Sunlife Short Term FMP series 30 Dividend Payout (90 days)	500.00
12. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Birla Sunlife Short Term FTP Series 29 Dividend (91 days)	500.00
13. 7,668,554.84 (Previous Year Nil) units of ₹ 10/- each of BNP Paribas Flexi Debt Fund - Direct Plan - Growth	1,499.79
14. 10,524,966.18 (Previous Year Nil) units of ₹ 10/- each of BNP Paribas Flexi Debt Fund - Growth	2,000.00
15. Nil (Previous Year 9,994,103.48) units of ₹ 10/- each of BNP Paribas Money Plus - Institutional Plan Daily Dividend	1,000.00
16. 6,478,974.00 (Previous Year Nil) units of ₹ 10/- each of BNP Paribas Short Term Fund Income Fund - Growth	848.09
17. Nil (Previous Year 5,203,950.18) units of ₹ 10/- each of BNP Paribas Short Term Income Fund Institutional DDR	521.52
18. 6,195.69 (Previous Year Nil) units of ₹ 1000/- each of BOI Axa Treasury Advantage Fund - Direct Plan - Growth	85.00
19. 43,509,082.72 (Previous Year Nil) units of ₹ 10/- each of BSL Dynamic Bond Fund - Retail - Growth	8,306.26
20. Nil (Previous Year 33,422,040.03) units of ₹ 10/- each of BSL Dynamic Bond Fund -Retail Plan Monthly Dividend	3,512.29
21. Nil (Previous Year 15,904,756.76) units of ₹ 10/- each of BSL Dynamic Bond Fund -Retail Plan Monthly Dividend - STPI	1,657.82
22. 1,119,748.03 (Previous Year Nil) units of ₹ 100/- each of BSL Floating Rate Fund - Long Term - Weekly Dividend - Direct Plan Reinvestment	1,120.98
23. Nil (Previous Year 11,671,258.25) units of ₹ 10/- each of Canara Robeco Short Term Institutional Monthly Dividend Fund	1,180.30
24. 15,740,085.68 (Previous Year Nil) units of ₹ 10/- each of Canara Robeco Short Term Fund - Regular Growth	2,052.94
25. Nil (Previous Year 54,438.30) units of ₹ 1000/- each of Canara Robeco Treasury advantage Super INSTT Daily dividend Reinvest	675.42
26. 253,466.17 (Previous Year Nil) units of ₹ 1000/- each of Canara Robeco Treasury Advantage Fund - Direct Growth	4,500.00
27. Nil (Previous Year 354,320.11) units of ₹ 1000/- each of Daiwa Liquid Fund Institutional Plan DDR	3,545.04
28. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of DSP BlackRock FMP - Series 30 - 3M Dividend Payout	500.00
29. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of DWS Banking & PSU Debt Fund - Direct Plan - Growth	500.00
30. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of DWS Fixed Maturity Plan Series - 24 - Direct Plan - Growth	500.00
31. 9,080,923.76 (Previous Year Nil) units of ₹ 10/- each of DWS Short Maturity Fund - Institutional - Growth	1,191.61
32. Nil (Previous Year 11,230,334.02) units of ₹ 10/- each of DWS Short Maturity Fund - Institutional Weekly Dividend Plan - Reinvest	1,172.34
33. Nil (Previous Year 3,852,030.45) units of ₹ 10/- each of DWS Ultrashort Term Fund Institutional DDR	385.89
34. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Edelweiss Fixed Maturity Plan - Series 5 (91 Days) Dividend Plan	500.00
35. 5,027,424.60 (Previous Year Nil) units of ₹ 10/- each of HDFC Floating Rate Income Fund -Short Term Plan - Direct Plan - Wholesale Option - Growth	999.50
36. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of HDFC FMP 92D February 2012(2) Dividend Series XIX Option: Payout	500.00
37. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of HDFC FMP 92D January 2012(1) Dividend Series XIX Option: Payout	500.00
38. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of HDFC FMP 92D March 2012(1) Dividend Payout	500.00

Notes

forming part of the financial statements for the Year ended 31st March, 2013

	(₹ lacs)	
	As at 31.03.2013	As at 31.03.2012
39. Nil (Previous Year 1,928,384.83) units of ₹ 10/- each of HSBC Floating Rate - Long Term Plan - Institutional Option - Weekly Dividend	-	216.55
40. Nil (Previous Year 11,488,632.89) units of ₹ 10/- each of HSBC Income Fund - Short Term Institutional Plus - Weekly Dividend	-	1,155.22
41. Nil (Previous Year 94,576.06) units of ₹ 100/- each of ICICI Pru Flexible Income Plan Premium - DDR	-	100.00
42. Nil (Previous Year 10,594,205.62) units of ₹ 10/- each of ICICI Prudential - Blended Plan B - Institutional Daily Dividend option II	-	1,060.22
43. 8,431,020.08 (Previous Year Nil) units of ₹ 10/- each of ICICI Prudential Income Plan Regular Growth	3,007.48	-
44. Nil (Previous Year 5,013,706.00) units of ₹ 10/- each of ICICI Prudential Interval fund II Quarterly interval Plan D Institutional Div	-	501.54
45. Nil (Previous Year 4,348,771.00) units of ₹ 10/- each of ICICI Prudential Interval fund II Quarterly interval Plan F Institutional Cumulative	-	500.00
46. Nil (Previous Year 4,977,050.09) units of ₹ 10/- each of ICICI Prudential Regular Savings Fund Regular Growth	-	500.00
47. 11,013,601.38 (Previous Year Nil) units of ₹ 10/- each of ICICI Prudential Ultra Short Term Plan - Direct Plan - Growth	1,300.00	-
48. 40,120.31 (Previous Year Nil) units of ₹ 1,000/- each of IDBI Ultra Short Term Fund - Growth - Direct	500.00	-
49. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of IDFC Fixed Maturity Quarterly Series 71 Dividend	-	500.00
50. Nil (Previous Year 10,964,608.10) units of ₹ 10/- each of IDFC Money Manager Fund - Investment Plan - Institutional Plan B Daily Dividend	-	1,109.45
51. 6,161,163.72 (Previous Year Nil) units of ₹ 10/- each of IDFC Ultra Short Term Fund - Growth - (Direct Plan)	1,000.00	-
52. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of IDFC Yearly Series Interval Fund Direct Plan - Series III - Growth	500.00	-
53. 10,454,296.25 (Previous Year Nil) units of ₹ 10/- each of JM High Liquidity Fund - Bonus Option - Principal (Bonus) Units	1,024.91	-
54. Nil (Previous Year 44,021,888.72) units of ₹ 10/- each of JM Money Manager Fund Super Plus Plan - Daily Dividend (171)	-	4,404.52
55. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of JP Morgan Fixed Maturity Plan Series 7 Dividend Payout	-	500.00
56. 8,404,032.77 (Previous Year Nil) units of ₹ 10/- each of JP Morgan Short Term Income Fund - Regular Plan - Growth	1,000.00	-
57. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Kotak Credit Opportunity Fund Growth	-	500.00
58. Nil (Previous Year 2,069,050.81) units of ₹ 10/- each of L&T Ultra STF Institutional- Daily Dividend Reinvest	-	210.12
59. Nil (Previous Year 5,464,050.00) units of ₹ 10/- each of L&T FMP Series 6 - Plan C - Growth	-	546.41
60. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of L&T FMP-V (February 90DA) - Dividend Payout	-	500.00
61. Nil (Previous Year 198,480.87) units of ₹ 1000/- each of L&T Liquid Super Institutional DDR	-	2,007.90
62. Nil (Previous Year 18,652,182.30) units of ₹ 10/- each of L&T Select Income Fund - Flexi Debt Institutional - Dividend	-	1,922.51
63. 15,000,000.00 (Previous Year 15,000,000.00) units of ₹ 10/- each of L&T Short Term Opportunities Fund - Growth	1,500.00	1,500.00
64. 3,500,000.00 (Previous Year Nil) units of ₹ 10/- each of LIC Nomura Fixed Maturity Plan Series 61-365 Days - Direct Growth Plan	350.00	-
65. 97,062.74 (Previous Year Nil) units of ₹ 1000/- each of Mirae Asset Ultra Short Term Bond Fund - Direct Plan - Quarterly Dividend	1,000.00	-
66. 24,870,202.43 (Previous Year Nil) units of ₹ 10/- each of Morgan Stanley Active Bond Fund - Direct Growth Plan	3,000.00	-

Notes

forming part of the financial statements for the Year ended 31st March, 2013

(₹ lacs)

	As at 31.03.2013	As at 31.03.2012
67. 7,892,236.54 (Previous Year Nil) units of ₹ 10/- each of Morgan Stanley Short Term Bond Fund - Institutional Plus Growth	1,000.00	-
68. 5,517,678.59 (Previous Year Nil) units of ₹ 10/- each of Peerless Flexible Income Fund Growth	552.45	-
69. 41,835,933.18 (Previous Year Nil) units of ₹ 10/- each of Peerless Ultra Short Term Fund - Direct Plan Daily Dividend - Reinvestment	4,211.41	-
70. Nil (Previous Year 7,009,068.02) units of ₹ 10/- each of Peerless Ultra Short Term Fund Super IP DDR	-	701.29
71. 39,420.12 (Previous Year Nil) units of ₹ 1,000/- each of PineBridge India Total Return Bond Fund Direct Growth	600.00	-
72. 35,615.18 (Previous Year Nil) units of ₹ 1,000/- each of PineBridge India Short Term Fund Direct Growth	500.82	-
73. 127,576.62 (Previous Year Nil) units of ₹ 1,000/- each of Pramerica Dynamic Bond Fund Growth Option	1,312.11	-
74. Nil (Previous Year 20,208.08) units of ₹ 1,000/- each of Pramerica Dynamic Bond Fund - Monthly Dividend Reinvestment	-	202.08
75. Nil (Previous Year 30,143.30) units of ₹ 1,000/- each of Pramerica Dynamic Bond Fund Monthly Dividend Reinvestment	-	302.10
76. 45,512.55 (Previous Year Nil) units of ₹ 1,000/- each of Pramerica Short Term Floating Rate Fund - Direct Plan - Growth Option	500.00	-
77. 18,368.84 (Previous Year Nil) units of ₹ 1,000/- each of Pramerica Short Term Floating Rate Fund - Growth Option	200.00	-
78. Nil (Previous Year 56,358.74) units of ₹ 1,000/- each of Pramerica Short Term Floating Rate Fund Weekly Dividend Reinvestment	-	563.59
79. Nil (Previous Year 52,608.45) units of ₹ 1,000/- each of Pramerica Short Term Income Fund Monthly Dividend - Reinvestment	-	527.19
80. Nil (Previous Year 500,505.32) units of ₹ 1,000/- each of Principal Cash Management Fund - Institutional Premium Plan - Dividend Reinvestment Daily	-	5,005.40
81. 5,126,118.00 (Previous Year Nil) units of ₹ 10/- each of Principal Income Fund Short Term Plan - Regular Plan Growth Option-Growth	1,000.62	-
82. 13,456,595.75 (Previous Year Nil) units of ₹ 10/- each of Reliance Dynamic Bond Fund Growth Plan	2,000.00	-
83. Nil (Previous Year 10,000,000.00) units of ₹ 10/- each of Reliance Fixed Horizon Fund XXII Series 1 Dividend Payout	-	1,000.00
84. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Reliance Fixed Horizon Fund-XXII-Series 14- Growth Plan	500.00	-
85. 23,038,781.78 (Previous Year Nil) units of ₹ 10/- each of Reliance Floating Rate Fund - Short Term Plan - Growth Plan	4,000.00	-
86. 2,261,122.92 (Previous Year Nil) units of ₹ 10/- each of Reliance Medium Term Fund Direct Growth Plan - Growth Option	550.00	-
87. 62,807.30 (Previous Year Nil) units of ₹ 1000/- each of Reliance Money Manager Fund - Direct Growth Plan Growth Option	999.35	-
88. Nil (Previous Year 10,745.05) units of ₹ 1000/- each of Reliance Money Manager Fund - Institutional Option-Daily Dividend Plan	-	107.60
89. Nil (Previous Year 14,204,752.17) units of ₹ 10/- each of Reliance Regular Savings Fund - Debt Plan - Institutional Growth Plan	-	1,800.05
90. Nil (Previous Year 21,567,931.95) units of ₹ 10/- each of Reliance Short Term Fund- Dividend Plan Reinvestment	-	2,309.86
91. 11,469,496.30 (Previous Year Nil) units of ₹ 10/- each of Reliance Short Term Fund - Growth Plan Growth option	2,430.71	-
92. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Reliance Yearly Interval Fund - Series 5 -Direct Plan - Growth Plan	500.00	-
93. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Reliance Yearly Interval Fund - Series 1- Growth Plan	500.00	-
94. 8,907,238.26 (Previous Year Nil) units of ₹ 10/- each of Religare Active Income Fund - Growth	1,181.71	-

Notes

forming part of the financial statements for the Year ended 31st March, 2013

	(₹ lacs)	
	As at 31.03.2013	As at 31.03.2012
95. Nil (Previous Year 10,762,688.05) units of ₹ 10/- each of Religare Active Income Fund - Plan B Monthly Dividend	-	1,079.73
96. Nil (Previous Year 6,400,297.89) units of ₹ 10/- each of Religare Credit Opportunities Fund Institutional - Daily Dividend Reinvestment	-	640.22
97. Nil (Previous Year 5,265,153.09) units of ₹ 10/- each of Religare Credit Opportunities Fund Institutional - Monthly Dividend	-	534.97
98. 20,366,816.18 (Previous Year Nil) units of ₹ 10/- each of Religare Short Term Fund - Growth	3,119.29	-
99. Nil (Previous Year 15,396,889.31) units of ₹ 10/- each of Religare Short Term Plan Plan A Monthly Dividend	-	1,613.15
100. 31,018.58 (Previous Year Nil) units of ₹ 1000/- each of Religare Ultra Short Term Fund-Direct Plan Growth	500.09	-
101. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of SBI Debt Fund Series -366 Days 23 Direct Plan - Growth	500.00	-
102. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of SBI Debt Fund Series 90 days -58 Dividend Payout	-	500.00
103. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of SBI Debt Fund Series 90 days -60 Dividend Payout	-	500.00
104. Nil (Previous Year 4,985,332.53) units of ₹ 10/- each of SBI Magnum Income Fund – FR Savings Plus Bond Plan -DDR	-	501.63
105. 2,843,833.72 (Previous Year Nil) units of ₹ 10/- each of SBI Magnum Income Fund FR Long Term -Direct Plan - Growth	500.00	-
106. 49,871.48 (Previous Year Nil) units of ₹ 1000/- each of SBI Magnum Insta Cash Fund - Liquid Floater - Direct Plan - Growth	1,000.00	-
107. Nil (Previous Year 119,968.52) units of ₹ 1000/- each of SBI SHF- Ultra Short Term Fund - Institutional Plan DDR	-	1,200.40
108. 3,748,716.07 (Previous Year Nil) units of ₹ 10/- each of SBI Short Term Debt Fund - Direct Plan - Growth	500.00	-
109. 7,780,875.71 (Previous Year Nil) units of ₹ 10/- each of SBI Short Term Debt Fund - Regular Plan - Growth	1,000.00	-
110. Nil (Previous Year 9,448,113.25) units of ₹ 10/- each of SBNPP Ultra ST Fund Super Institutional Dividend Reinvestment Daily	-	948.31
111. Nil (Previous Year 4,997,751.00) units of ₹ 10/- each of Sundaram Fixed Income Interval Fund QS Plan B Dividend Payout	-	500.00
112. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Sundaram Fixed Term Plan Plan CL (366 days)-Growth	-	500.00
113. 2,848,808.06 (Previous Year Nil) units of ₹ 10/- each of Sundaram Flexible Fund - Short - Term Plan Regular Growth	500.00	-
114. Nil (Previous Year 4,998,600.00) units of ₹ 10/- each of Sundaram Interval Fund Quarterly Plan C - Institutional Dividend Payout	-	500.00
115. 3,026,671.03 (Previous Year Nil) units of ₹ 10/- each of Sundaram Mthly Income Plan Mod Bonus (PRINCIPAL Units) Bonus Units	333.33	-
116. 6,295,643.42 (Previous Year Nil) units of ₹ 10/- each of Sundaram Ultra Short- Term Fund Direct Plan Growth	1,000.00	-
117. Nil (Previous Year 10,350,597.74) units of ₹ 10/- each of Sundaram Ultra ST Fund Super Institutional Dividend Reinvestment Daily	-	1,038.89
118. Nil (Previous Year 4,993,458.57) units of ₹ 10/- each of Tata Fixed Income Portfolio Fund -B2 IP Dividend Payout	-	500.00
119. Nil (Previous Year 179,034.40) units of ₹ 1000/- each of Tata Treasury Manager SHIP DDR	-	1,808.82
120. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Taurus Fixed Maturity Plan 91 Days Series N Dividend Payout	-	500.00
121. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Taurus Fixed Maturity Plan 91 Days Series R Dividend Plan	-	500.00
122. 26,709.93 (Previous Year Nil) units of ₹ 1000/- each of Taurus Short Term Income Fund - Existing Plan - Growth	512.06	-

Notes

forming part of the financial statements for the Year ended 31st March, 2013

(₹ lacs)

	As at 31.03.2013	As at 31.03.2012
123. Nil (Previous Year 20,655.00) units of ₹ 1000/- each of Taurus Ultra Short Term Bond Fund Super Institutional Daily P DDR	-	206.91
124. 31,216.80 (Previous Year Nil) units of ₹ 1000/- each of Taurus Ultra Short Term Fund- Existing Plan - Super Institutional Growth	428.79	-
125. 33,266,614.14 (Previous Year Nil) units of ₹ 10/- each of Templeton India Income Opportunities Fund - Direct - Growth	4,362.78	-
126. Nil (Previous Year 33,285,647.59) units of ₹ 10/- each of Templeton India Income Opportunities Fund Growth	-	3,500.00
127. 13,319,573.66 (Previous Year Nil) units of ₹ 10/- each of Templeton India Low Duration Fund - Growth	1,624.19	-
128. Nil (Previous Year 10,266,600.49) units of ₹ 10/- each of Templeton India Low Duration Fund - Monthly Dividend Reinvestment	-	1,066.13
129. 55,317.44 (Previous Year Nil) units of ₹ 1000/- each of Templeton India Short Term Income Plan - Institutional Growth	1,000.00	-
130. 130,428.70 (Previous Year 125,275.05) units of ₹ 1000/- each of Templeton India Short Term Income Plan - IP Monthly Dividend Reinvestment	1,561.91	1,500.00
131. 3,581.17 (Previous Year Nil) units of ₹ 1000/- each of Templeton India SHORT TERM INCOME Retail Plan - MONTHLY DIVIDEND Reinvestment	41.81	-
132. 1,147,405.55 (Previous Year Nil) units of ₹ 10/- each of Templeton India Ultra Short Bond Fund Super Institutional - Direct - Growth	175.00	-
133. Nil (Previous Year 24,983,534.21) units of ₹ 10/- each of Templeton India Ultra Short Bond Fund - Super Institutional Plan - Daily Dividend Reinvestment	-	2,501.25
134. 22,878,032.16 (Previous Year Nil) units of ₹ 10/- each of Templeton India Ultra Short Bond Fund - Super Institutional Plan - Growth	3,416.88	-
135. 46,105.54 (Previous Year Nil) units of ₹ 1000/- each of Union KBC Ultra Short Term Fund Debt Fund - Growth - Direct Plan	500.32	-
136. Nil (Previous Year 4,998,550.42) units of ₹ 10/- each of UTI - Fixed Income Interval Fund -Series II- Quarterly Interval Plan Series VII Institutional Dividend Payout	-	500.00
137. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of UTI - Fixed Maturity Plan - Quarterly Series(QFMP 02/12-1) IP Dividend Payout	-	500.00
138. 140,176.32 (Previous Year Nil) units of ₹ 1000/- each of UTI -Floating Rate Fund - STP - Regular Plan - Direct Plan - Daily Dividend Reinvestment	1,509.53	-
139. Nil (Previous Year 100,258.07) units of ₹ 1000/- each of UTI Money Market Mutual Fund Institutional Daily Dividend Reinvestment	-	1,005.96
140. 3,718,329.13 (Previous Year Nil) units of ₹ 10/- each of UTI Short Term Income Fund - Institutional Option - Growth	500.00	-
141. 3,615,172.15 (Previous Year Nil) units of ₹ 10/- each of UTI Short Term Income Fund - Institutional Option - Direct - Growth	500.00	-
142. Nil (Previous Year 50,224.35) units of ₹ 1000/- each of UTI Treasury Advantage Fund Institutional Plan - (Daily Dividend Option) Re-investment	-	502.34
143. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of DSP BlackRock FMP - Series 43 - 12M Growth	-	500.00
	88,811.72	80,986.79
Total other current investments (B)	89,374.60	81,108.42
Total current investments (A+B)	132,042.90	91,605.70
Aggregate amount of quoted investments	2,005.20	-
Aggregate Market value of listed and quoted investments	2,005.20	-
Aggregate amount of unquoted investments	130,037.70	91,605.70
Aggregate provision for diminution (write down) in the value of other current investments	88.12	123.56

Notes

forming part of the financial statements for the Year ended 31st March, 2013

(₹ lacs)

17. TRADE RECEIVABLES	As at 31.03.2013	As at 31.03.2012
Unsecured, considered good unless stated otherwise		
(a) Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
(i) Considered good	248.01	252.41
(ii) Considered doubtful	445.22	362.90
(b) Other trade receivables		
Considered good	8,062.46	3,376.52
	8,755.69	3,991.83
Less: Provision for doubtful receivables	(445.22)	(362.90)
TOTAL	8,310.47	3,628.93
18. CASH AND CASH EQUIVALENTS		
Balances that meet the definition of Cash and Cash equivalents as per AS 3 - Cash Flow Statements		
Cheques on hand	-	111.27
Balances with banks		
In current accounts	2,799.01	3,552.65
In EEFC accounts	56.51	21,762.29
In deposit accounts with original maturity of less than 3 months	113.94	1,268.69
In earmarked accounts		
In current accounts	33.99	29.04
In deposit accounts with original maturity of less than 3 months	1,656.93	9,775.93
	4,660.38	36,499.87
Other Bank Balances		
In deposit accounts with original maturity of more than 12 months [Includes ₹ Nil (Previous Year: ₹ 4 lacs) under lien with bank against bank guarantees]	3,846.96	5.58
In deposit accounts with original maturity of more than 3 months but less than 12 months [Includes ₹ 18.33 lacs (Previous Year: ₹ 210.00 lacs) under lien with bank against bank guarantees]	20.77	3,324.32
In earmarked accounts		
Unpaid dividend accounts	78.09	71.06
	3,945.82	3,400.96
TOTAL	8,606.20	39,900.83
19. SHORT-TERM LOANS AND ADVANCES		
Unsecured, considered good unless stated otherwise		
Loans and advances to related parties (Refer Note 41)	5,952.34	4,843.76
Security deposits		
Considered good	875.65	756.51
Considered doubtful	15.25	1.61
	890.90	758.12
Less: Provision for doubtful deposits	(15.25)	(1.61)
	875.65	756.51
Loans and advances to employees		
Considered good	55.13	145.07
Considered doubtful	19.22	4.54
	74.35	149.61
Less: Provision for doubtful deposits	(19.22)	(4.54)
	55.13	145.07
Prepaid expenses	578.07	399.98
Balances with government authorities	659.96	928.56
Advances for supply of goods and services	319.01	466.61
TOTAL	8,440.16	7,540.49

Notes

forming part of the financial statements for the Year ended 31st March, 2013

(₹ lacs)

20. OTHER CURRENT ASSETS	As at 31.03.2013	As at 31.03.2012
Unbilled revenue	203.33	-
Unamortised ancillary borrowing costs	469.57	468.79
Interest accrued on bank deposits	231.89	135.24
Interest accrued on investments	290.68	168.78
Interest receivable on income- tax refund	-	199.25
Receivable on cancellation of forward foreign exchange contracts	-	610.25
Contractually reimbursable expenses	103.32	83.60
Rent receivable	134.36	-
Guarantee Fees receivable from related party (Refer Note 41)	1,295.13	-
Other Receivable	263.03	-
TOTAL	2,991.31	1,665.91

21. REVENUE FROM OPERATIONS	Year Ended 31.03.2013	Year Ended 31.03.2012
Income from software products (IPR based license)	7,309.76	8,085.43
Income from software services (Project based)	35,337.41	32,801.12
IT infrastructure income	1,244.30	146.78
Sale of traded goods		
Computer hardware	19.35	296.87
Computer software	32.37	81.77
	51.72	378.64
Other operating revenues		
Business support services	1,054.91	987.99
Others	92.00	154.85
	45,090.10	42,554.81

22. OTHER INCOME		
Interest income on		
Bank deposits	664.58	747.78
Long-term investments	395.01	284.21
Loans to subsidiaries	2,487.53	704.29
Income-tax refund	580.10	199.25
Loans to employees	65.94	21.71
	4,193.16	1,957.24
Dividend income		
From long-term investments		
In associates	4,956.25	754.38
Others	4.00	6.45
From current investments		
In associates	-	132.20
Others	3,340.04	4,132.13
	8,300.29	5,025.16
Profit on sale of investments (net)		
Long-term investments	954.71	1,653.31
Current investments		
In associates (Refer Note 38)	-	24,982.12
Others	3,743.15	255.92
	4,697.86	26,891.35
Reversal of write down in value of current investments (net)	35.44	12.64
Other non-operating income		
Rental income from operating leases [Refer Note 29(b)]	1,400.35	1,222.53
Profit on sale of fixed assets	460.63	-
Provision for expenses no longer required written back	177.65	-

Notes

forming part of the financial statements for the Year ended 31st March, 2013

	(₹ lacs)	
	Year Ended 31.03.2013	Year Ended 31.03.2012
Exchange rate fluctuations (net)	85.50	1,763.72
Guarantee fees (Includes ₹ 606.51 lacs relating to previous year)	1,295.13	-
Miscellaneous income	5.98	13.25
TOTAL	20,651.99	36,885.89
23. PURCHASES OF STOCK-IN-TRADE		
Computer hardware	14.42	242.65
Computer software	17.41	38.69
TOTAL	31.83	281.34
24. EMPLOYEE BENEFITS EXPENSE		
Salaries and wages	11,631.81	10,563.44
Contribution to provident fund and other funds (Refer Note 44)	544.96	450.95
Staff welfare expenses	233.93	233.71
TOTAL	12,410.70	11,248.10
25. FINANCE COSTS		
Interest expense on:		
Borrowings	3,059.36	1,667.85
Delayed payment of tax	35.81	0.46
Other borrowing costs:		
Provision for estimated loss on interest rate swap contracts	648.87	950.99
Amortisation of ancillary borrowing costs	539.70	424.93
TOTAL	4,283.74	3,044.23
26. DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation of tangible assets	1,647.59	1,349.53
Amortisation of intangible assets	606.40	380.57
TOTAL	2,253.99	1,730.10
27. OTHER EXPENSES*		
Electricity	460.07	387.22
Rent [Refer Note 29(a)]	757.22	892.89
Repairs and maintenance- buildings	28.03	18.60
Repairs and maintenance- others	479.95	218.17
Insurance	40.79	42.10
Rates and taxes, excluding taxes on income	314.75	246.33
Travelling and conveyance	235.01	174.02
Communication expenses	334.20	312.15
Legal and professional charges (Refer Note 33)	880.45	991.88
Software license fees	543.34	593.53
Loss on sale/redemption/reduction in shares in subsidiary companies (net)	-	11,045.35
Less: Provision held	-	(7,163.00)
	-	3,882.35
Loss on disposal/write off of fixed assets (net)	-	148.49
Less: Provision for impairment held	-	(104.61)
	-	43.88
Bad debts/advances written off	49.23	96.38
Less: Provision held	(24.59)	(63.24)
	24.64	33.14
Provision for doubtful trade receivables/advances	134.90	4.54
Donation	856.00	966.25
Miscellaneous expenses	1,425.20	1,384.54
TOTAL	6,514.55	10,191.59

*Net of recoveries on account of sharing of common expenses with group companies (Refer Note 41)

Notes

forming part of the financial statements for the Year ended 31st March, 2013

(₹ lacs)

28. CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)	Current Year	Previous Year
1. Contingent liabilities:		
(a) Claims against the company not acknowledged as debt:		
(i) Income tax demands against which the Company is in appeal (including adjustable against Securities Premium account ₹ 3,869.18 lacs (Previous Year ₹ 1,941.03 lacs).	5,352.61	2,663.06
(ii) MVAT, Service tax and Excise dues contested by the Company.	551.56	515.17
(b) Guarantees		
Guarantees given to third parties by the Company on behalf of its subsidiary companies.	70,021.16	66,657.97
Future cash outflows in respect of the above matters are determinable only on receipt of judgments/decisions pending at various forums/authorities.		
2. Letters of comfort issued to banks in respect of credit facilities availed by subsidiary companies.	400.00	5,200.00
3. Capital and other commitments		
(i) Estimated amount of contracts to be executed on capital account and not provided for.	1,152.77	227.55
(ii) for commitments relating to lease (Refer Note 29 below) and for commitment relating to derivatives (Refer Note 32)		

29. OPERATING LEASE

- (a) The Company has entered into various cancellable and non cancellable operating lease agreements as a lessee for various premises having lease term ranging from 5 months to 36 months. The lease rentals recognised as an expense in the statement of profit and loss during the year are included in note 27 under the head Rent. The future minimum lease payments under non-cancellable operating lease are as follows:

(₹ lacs)

Particulars	Current Year	Previous Year
Lease expenditure		
Lease rentals [net of recoveries ₹ 270.07 lacs (Previous Year ₹ 285.81 lacs)] (Refer Note 27 'Rent').	757.22	843.01
Obligations on non-cancellable leases		
Not later than one year	12.72	538.78
Later than one year and not later than five years	-	320.95
Later than five years	-	-

- (b) The Company has entered into various cancellable and non cancellable operating lease agreements as a lessor for various premises having lease ranging from 8 months to 36 months. The lease rentals recognised as income in the statement of profit and loss during the year are included in note 22 under the head rental income from operating leases.

(₹ lacs)

Particulars	Current Year	Previous Year
Lease Income		
Lease rentals (included in Note 22 'Rental income from operating leases')	1,400.35	1,202.25
Receivables on non-cancellable leases		
Not later than one year	129.73	1,100.00
Later than one year and not later than five years	-	1,017.94
Later than five years	-	-
Fixed Assets*		
Gross carrying amount of leased assets	11,924.57	11,924.57
Accumulated depreciation	470.84	276.47
Depreciation recognised	194.37	194.37

* The Company is charging rent/amenities to group companies for utilising part of its building. It is not feasible to segregate cost and depreciation amount in respect of fixed assets so utilised and hence it has not been included in this disclosure.

Notes

forming part of the financial statements for the Year ended 31st March, 2013

30. (a) Expenditure in foreign currency (including foreign branches):

(₹ lacs)

Nature of Expenses	Current Year	Previous Year
Salaries and wages	57.42	132.76
Travelling expenses	55.49	17.85
Professional fees	29.72	39.49
Purchase of goods for trading	-	65.41
Interest expenses on borrowings	3,054.44	1,667.85
Amortisation of ancillary borrowing costs	383.02	285.28
Premium on redemption of ZCCB	-	6,037.06
Insurance	1.36	1.57
Rent	6.23	4.42
Repairs and maintenance - others	8.14	0.35
Software license fees	172.79	133.66
Miscellaneous expenses	57.79	110.65
TOTAL	3,826.40	8,496.35

(b) Earnings in foreign currency (including foreign branches):

(₹ lacs)

Nature of Income	Current Year	Previous Year
Income from software products (IPR based license)	49.78	23.33
Income from software services (Project based)	8,553.57	17,019.82
Sale of traded goods	8.55	-
Guarantee Fees	1,295.13	-
Interest on bank deposits	79.24	319.89
Interest on loans to subsidiaries	2,062.13	67.51
TOTAL	12,048.40	17,430.55

31. DISCLOSURES UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006:

- An amount of ₹ 13.47 lacs (As at March 31, 2012 ₹ 3.53 lacs) and ₹ NIL (Previous Year ₹ Nil) was due and outstanding to suppliers as end of the accounting year on account of Principal and Interest respectively. (Refer Note 9)
- No interest was paid during the year.
- No interest is payable at the end of the year under Micro, Small and Medium Enterprises Development Act, 2006.
- No amount of interest was accrued and unpaid at the end of the accounting year.

The above information regarding Micro and Small Enterprises has been determined to the extent replies to the Company's communication have been received from vendors/suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. This has been relied upon by the auditors.

32. (a) Derivative Instruments Outstanding as at Balance Sheet Date

Type contract	Currency	Amount in foreign currency (USD in lacs)	
		As at 31.03.2013	As at 31.03.2012
Interest rate swap contracts (Floating to Fixed)	USD	1,100.00	500.00
Forward exchange contracts	Sell USD / Buy INR	21.00	-

Notes

forming part of the financial statements for the Year ended 31st March, 2013

(b) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	Currency	Current Year		Previous Year	
		Foreign Currency in lacs	₹ Lacs	Foreign Currency in lacs	₹ Lacs
Payables in foreign currency					
Borrowings	USD	1,100.00	59,828.23	1,100.00	56,272.15
Advances from customers	USD	208.30	11,329.32	208.30	10,655.92
Other payables	AED	1.48	22.01	0.59	8.35
	MUR	0.23	0.43	-	-
	USD	2.35	127.99	7.15	365.75
Receivables in foreign currency					
Loans and advances to related parties	SGD	0.43	18.91	0.06	2.31
	USD	848.85	46,168.40	477.40	24,421.94
Trade receivables	USD	4.54	246.95	52.51	2,686.25
Other receivables	AED	-	-	0.15	2.09
	USD	25.30	1,376.05	0.34	17.14

33. LEGAL AND PROFESSIONAL CHARGES INCLUDES PAYMENTS TO AUDITORS (NET OF SERVICE TAX INPUT CREDIT)

(₹ lacs)

Particulars	Current Year	Previous Year
As auditors - statutory audit	28.00	28.00
For taxation matters	8.00	8.00
For other services	15.25	13.25
Reimbursement of expenses	0.65	0.61
TOTAL	51.90	49.86

34. SEGMENT REPORTING

The Company has presented segmental information in its consolidated financial statements, which are presented in the same annual report. Accordingly, in terms of the provisions of Accounting Standard (AS 17) "Segment Reporting", no disclosures related to segments are presented in its stand-alone financial statements.

35. REVENUE EXPENDITURE INCURRED DURING THE YEAR ON RESEARCH AND DEVELOPMENT

The aggregate amount of revenue expenditure incurred during the year on Research and Development and shown in the respective heads of the account is ₹ 1,310.10 lacs (Previous Year ₹ 1,289.82 lacs).

36. EARNINGS PER SHARE IS CALCULATED AS FOLLOWS:

(₹ lacs)

Particulars	Current Year	Previous Year
(a) Net profit available for equity shareholders (for basic/diluted EPS)	32,288.06	47,802.93
(b) Weighted average number of equity shares		
Basic	46,078,537	46,078,537
Add: Effect of dilutive stock options	391,907	-
Diluted	46,470,444	46,078,537
(c) Basic earnings per share (in ₹)	70.07	103.74
(d) Diluted earnings per share (in ₹)	69.48	103.74
(e) Face value ₹ per share	2/-	2/-

Notes

forming part of the financial statements for the Year ended 31st March, 2013

- 37.** As at March 31, 2013, the Company's investments in certain subsidiaries and a joint venture company aggregating ₹ 49,090.30 lacs (Previous Year ₹ 48,045.31 lacs) and debts and other recoverable aggregating ₹ 49,003.84 lacs (Previous Year ₹ 26,403.73 lacs), which presently have accumulated losses, [share of aggregate losses till March 31, 2013 ₹ 87,082.53 lacs (Previous year ₹ 46,207.56 lacs)] but are expected to be recovered, and have their values unlocked in the near future, since these companies are already at various stages of executing their business plans and operations, with expected profitability. Accordingly, a provision for other than temporary diminution in the value of investments of ₹ 1,737.26 lacs (Previous Year ₹ 1,737.26 lacs) as at the year end March 31, 2013 is considered to be adequate. During the previous year an amount of ₹ 7,163.00 lacs was adjusted against the loss on sale/reduction/redemption in shares in subsidiary companies (net) (Refer Note 27).
- 38.** The Company, as a part of its core business strategy, promotes and invests in new ventures that utilise its technological capabilities and domain expertise towards creating world class enterprises. The investment in each such venture is assessed for its risks and is limited to a pre-determined level and will generate returns after the ventures start ramping-up operations in varied time frame depending upon the line of business. The Company, as part of its non-linear business model, will endeavor to unlock value by broadening the investor base of its ventures.
- During the previous year, in terms of the compliance of FMC Equity Structure Guidelines dated July 29, 2009, the Company offered under "offer for sale", in initial public offer of equity by Multi Commodity Exchange of India Limited (MCX), part of its investments aggregating 2,643,916 equity shares of ₹ 10/- each of MCX at a price of ₹ 1,032 per equity share of ₹ 10/- each. The resultant profit of ₹ 24,982.12 lacs (net of directly attributable expenses of ₹ 2,091.58 lacs) is grouped under 'Profit on sale of Investments' in Other Income (Refer Note 22). Subsequent to disinvestments, the Company is holding 26% in the equity share capital of MCX.
- 39.** During the previous year, two of the Company's subsidiaries reduced their share capital by ₹ 13,403.94 lacs against their accumulated losses, as sanctioned by the Hon'ble High Court of Judicature at Bombay. Accordingly, net resultant loss of ₹ 7,921.54 lacs (net of provision for other than temporary diminution) was charged to the statement of profit and loss and shown under "Loss on sale/redemption/reduction in shares in subsidiary companies (net)".
- 40.** The Company holds 27,165,000 Equity Shares of ₹ 1/- each in MCX Stock Exchange Limited (MCX-SX). As per the approval received from SEBI to MCX-SX, the Company's equity holding alongwith MCX shall not exceed 5% of the total paid up equity capital of MCX-SX. Considering the time available to adhere to the direction of SEBI as communicated by MCX-SX, the Company has classified such investments under Current Investments at this point of time till both the entities together reduce the percentage of holding to 5% in MCX-SX. The Company intends to hold the remaining shares of MCX-SX after bringing down the shareholding in MCX-SX to 5% put together with MCX, on a long term basis and accordingly the said Investments will be reclassified under Non-Current Investments.

41. RELATED PARTY DISCLOSURE:

I. Names of related parties and nature of relationship:

(i) Entities where control exists (Subsidiaries, including step down subsidiaries)

1. TickerPlant Ltd. (TickerPlant)
2. IBS Forex Ltd. (IBS)
3. atom Technologies Ltd. (atom)
4. Riskraft Consulting Ltd. (Riskraft)
5. National Spot Exchange Ltd. (NSEL)
6. Western Ghats Agro Growers Company Limited (subsidiary of NSEL) (w.e.f. September 5, 2012) (WGAGL)
7. Farmer Agricultural Integrated Development Alliance Ltd. (subsidiary of NSEL) (w.e.f. August 1, 2012) (FAIDA)
8. National Bulk Handling Corporation Ltd. (NBHC)
9. FT Group Investments Pvt. Ltd. (FTGIPL)
10. Financial Technologies Middle East- DMCC (FTME) (Subsidiary of FTGIPL w.e.f. March 25, 2012; formerly direct subsidiary of the Company)
11. Global Board of Trade Ltd. (GBOT) (Subsidiary of FTGIPL w.e.f. March 19, 2012; formerly direct subsidiary of the Company)
12. GBOT Clear Limited (GBOT CL) (subsidiary of GBOT) (w.e.f. February 14, 2013)
13. Knowledge Assets Pvt. Ltd. (KAPL)
14. Financial Technologies Communications Ltd. (FTCL)
15. Global Payment Networks Ltd. (GPNL)
16. FT Knowledge Management Company Ltd. (FTKMCL)
17. Indian Bullion Market Association Ltd. (Subsidiary of NSEL)
18. Trans-Global Credit & Finance Ltd. (TGCFL)
19. Capricorn Fin-Tech (Pvt). Ltd. (Subsidiary of FTME)
20. Bourse Africa Ltd. (BAL) (Subsidiary of FTGIPL)

Notes

forming part of the financial statements for the Year ended 31st March, 2013

21. Bourse India Ltd. (BIL)
22. ICX Platform (Pty) Ltd. (ICX)
23. Credit Market Services Ltd. (CMSL)
24. Takshashila Academia of Economic Research Ltd. (TAER)
25. Apian Finance and Investments Ltd. (Apian)
26. Bahrain Financial Exchange BSC (c) (BFX) (Subsidiary of FTGIPL)
27. Financial Technologies Singapore Pte Ltd. (FTSPL)
28. Singapore Mercantile Exchange PTE Ltd. (SMX) (Subsidiary of FTSPL)
29. Singapore Mercantile Exchange Clearing Corporation PTE Ltd. (SMX-CCL) (Subsidiary of SMX)
30. BFX Clearing & Depository Corporation BSC(c) (Subsidiary of BFX)
31. FT Projects Ltd.
32. Financial Technologies Projects Pvt. Ltd.
33. ICX Africa Ltd. (subsidiary of BAL) (w.e.f. July 26, 2011)
34. Bourse Exchange Nigeria Ltd. (Subsidiary of BAL)
35. Bourse Africa (Kenya) Ltd. (Subsidiary of BAL)
36. Bourse Uganda Ltd. (Subsidiary of BAL)
37. Bourse Zambia Ltd. (Subsidiary of BAL)
38. Bourse Tanzania Ltd. (Subsidiary of BAL)
39. Bourse South Africa Limited (Subsidiary of BAL) (w.e.f. October 19, 2012)

(ii) Associate Companies:

1. Multi Commodity Exchange of India Ltd. (MCX)
2. MCX Stock Exchange Clearing Corporation Ltd. (MCX-SX CCL)
3. Indian Energy Exchange Ltd. (IEX)
4. SME Exchange of India Ltd. (SME) (w.e.f. Sept. 26, 2011)

(iii) Joint Venture Companies:

1. Dubai Gold and Commodities Exchange (DGCX)

(iv) Key Management Personnel

1. Mr. Jignesh Shah : Chairman and Managing director
2. Mr. Dewang Neralla : Whole time director
3. Mr. Manjay Shah* : Whole time director

*Appointed as wholetime director w.e.f. April 01, 2012

(v) Relative of the Key Management Personnel where transactions have taken place

Mr. Manjay Shah

(vi) Entity over which Key management personnel is able to exercise significant influence

La-fin Financial Services Pvt. Ltd. (La-fin)

II. Transaction with subsidiaries, associates and joint venture entities:

(₹ lacs)

Nature of Transaction	Subsidiary Companies	Associate Companies	Joint Venture Company	Total
1. Loan given:				
Opening balance	29,160.70	-	-	29,160.70
	(10,311.75)	(-)	(-)	(10,311.75)
Given during the year	26,304.20	-	-	26,304.20
	(31,695.00)	(-)	(-)	(31,695.00)
Repaid/adjusted during the year	3,104.78	-	-	3,104.78
	(11,571.05)	(-)	(-)	(11,571.05)
Converted into Optionally Convertible Debentures (OCD)	2,500.00	-	-	2,500.00
	(-)	(-)	(-)	(-)
Converted into equity by TickerPlant	-	-	-	-
	(1,275.00)	(-)	(-)	(1,275.00)

Notes

forming part of the financial statements for the Year ended 31st March, 2013

(₹ lacs)

Nature of Transaction	Subsidiary Companies	Associate Companies	Joint Venture Company	Total
Balance as at end of the year	49,860.12 (29,160.69)	- (-)	- (-)	49,860.12 (29,160.69)
2. Income from software products (IPR based license)	219.14 (166.09)	79.62 (87.64)	- (-)	298.76 (253.73)
3. Income from software services (Project based)	10,982.99 (17,093.94)	13,037.78 (10,776.56)	451.92 (398.24)	24,472.69 (28,268.74)
4. IT infrastructure sharing income	2.10 (61.31)	304.55 (61.38)	- (-)	306.65 (122.69)
5. Sale of traded goods	8.55 (89.98)	8.00 (3.33)	- (-)	16.55 (93.31)
6. Other Operating revenues				-
Business Support Services	545.74 (435.60)	303.55 (240.00)	- (-)	849.29 (675.60)
Others	- (1.54)	21.28 (21.28)	- (-)	21.28 (22.82)
7. Other Income				-
Interest income	2,487.53 (704.29)	- (-)	- (-)	2,487.53 (704.29)
Rental income from operating leases	513.21 (362.24)	- (-)	- (-)	513.21 (362.24)
Dividend Income	- (-)	4,956.25 (886.58)	- (-)	4,956.25 (886.58)
Guarantee fees	1,295.13 (-)	- (-)	- (-)	1,295.13 (-)
8. Sale of Tangible Assets	2.04 (22.43)	0.89 (1.38)	- (-)	2.93 (23.81)
9. Purchase of Tangible Assets	12.26 (14.48)	7.24 (2.64)	- (-)	19.50 (17.12)
10. Purchase of an Intangible Asset from TickerPlant	- (1,800.00)	- (-)	- (-)	- (1,800.00)
11. Recoveries charged by the Company towards expenses (Refer Note 27)	509.61 (647.99)	217.05 (607.53)	- (-)	726.66 (1,255.52)
12. Reimbursement of expenses charged to the Company				
-by MCX relating to Offer for Sale by the Company as part of the public issue of MCX.	- (-)	1,227.76 (1,375.51)	- (-)	1,227.76 (1,375.51)
- other expenses	69.93 (175.10)	15.03 (130.72)	- (-)	84.96 (305.82)
13. Advances given				
- Balance as at end of the year	1,151.34 (59.14)	4.51 (-)	- (-)	1,155.85 (59.14)
14. Current Liabilities as at end of the year				-
- Trade payables	15.90 (8.35)	- (-)	- (-)	15.90 (8.35)
- Income received in advance/unearned revenue	850.86 (753.22)	898.86 (159.67)	- (33.91)	1,749.72 (946.80)
- Advances from Customers	11,285.80 (10,614.97)	- (-)	- (-)	11,285.80 (10,614.97)
15. Receivables				-
- Trade receivables Balance as at end of the year	2,636.35 (2,195.85)	51.08 (-)	6.53 (431.70)	2,693.96 (2,627.55)
- Guarantee Fees receivable	1,295.13 (-)	- (-)	- (-)	1,295.13 (-)

Notes

forming part of the financial statements for the Year ended 31st March, 2013

(₹ lacs)

Nature of Transaction	Subsidiary Companies	Associate Companies	Joint Venture Company	Total
16. Guarantees given by the company on behalf of its subsidiaries.				
Increase in guarantees given	4,098.19	-	-	4,098.19
	(8,230.72)	(-)	(-)	(8,230.72)
Decrease in guarantees given	735.00	-	-	735.00
	(16,950.00)	(-)	(-)	(16,950.00)
Balance as at end of the year	70,021.16	-	-	70,021.16
	(66,657.97)	(-)	(-)	(66,657.97)
17. Investments made during the year				
Subscription to Equity/Ordinary shares	1,425.00	-	-	1,425.00
	(11,535.34)	(4.90)	(-)	(11,540.24)
Purchase of Equity/Ordinary shares	-	-	-	-
	(6.78)	(-)	(-)	(6.78)
Conversion of loan granted into Equity/Ordinary shares by Ticker plant	-	-	-	-
	(1,275.00)	(-)	(-)	(1,275.00)
Subscription to optionally convertible preference shares	-	-	-	-
	(5,504.50)	(-)	(-)	(5,504.50)
Conversion of loan granted into Optionally Convertible Debentures (OCD) by FT Projects Ltd.	2,500.00	-	-	2,500.00
	(-)	(-)	(-)	(-)
18. Receipt on sale/reduction of Equity/Ordinary shares	-	-	-	-
	(6,851.95)	(-)	(-)	(6,851.95)
19. Receipt on sale/redemption of optionally convertible preference shares from FTGIPL	-	-	-	-
	(43,624.42)	(-)	(-)	(43,624.42)
20. Equity investment reduced during the year (Refer Note 39)	-	-	-	-
	(13,403.94)	(-)	(-)	(13,403.94)
21. Investment balance as at end of the year				
Cost	64,517.41	2,554.70	828.78	67,900.89
	(60,592.41)	(2,554.70)	(828.78)	(63,975.89)
Provision for other than temporary diminution in the value of Investments	1,737.26	-	-	1,737.26
	(1,737.26)	(-)	(-)	(1,737.26)
Net Carrying value of Investments	62,780.15	2,554.70	828.78	66,163.63
	(58,855.15)	(2,554.70)	(828.78)	(62,238.63)

Previous year figures are given in brackets.

III. Transactions with Key Managerial Personnel, relatives of Key Managerial Personnel and Entity in which the Key Management has control.

(₹ lacs)

Nature of Transaction	Key Managerial Personnel	Relatives of Key Managerial Personnel	Entity over which the key management personnel is able to exercise significant influence-La-Fin	Total
1. Salary and Allowances	2,156.91	-	-	2,156.91
	(1,727.71)	(60.00)	(-)	(1,787.71)
2. Dividend paid during the year	677.35	-	986.40	1,663.75
	(671.20)	(6.15)	(983.63)	(1,660.98)
3. Salary and Allowance payable as at the end of the year	1,500.00	-	-	1,500.00
	(1,250.00)	(-)	(-)	(1,250.00)

Note: Out of the above items, transactions with related parties in excess of 10% of the total related party transactions are:

Notes

forming part of the financial statements for the Year ended 31st March, 2013

(a) Key Managerial personnel

(₹ lacs)

Transactions during the year	Key Managerial Personnel
Salary and allowances	
Jignesh Shah	1,802.82
	(1,551.38)
Dewang Neralla	176.62
	(176.33)
Salary and Allowance payable as at the end of the year (Jignesh Shah)	1,500.00
	(1,250.00)
Dividend paid	
Jignesh Shah	666.37
	(666.37)

Notes

forming part of the financial statements for the Year ended 31st March, 2013

(b) Transactions with subsidiaries, associates and a joint venture company in excess of 10% of Total Related Party Transactions:

Transactions during the year	Subsidiaries/Associates/Joint Venture Company											FTKMCL
	atom	TickerPlant	Riskraft	NBHC	NSEL	IBMA	FTCL	FTME	Apian	FTKMCL	(₹ lacs)	
Loan given	735.75 (1,094.25)	718.00 (1,558.50)	-	-	-	-	-	-	1,656.50 (1,890.00)	-	-	-
Loan repaid	1,404.00 (2,428.00)	120.00 (1,775.00)	-	-	-	-	-	-	1,450.98 (1,245.00)	-	-	-
Income from software products (IPR based license)	-	-	-	-	178.63	-	-	-	40.51	-	-	-
Income from software services (Project based)	-	-	-	-	(142.96)	-	-	-	(23.13)	-	-	-
IT-infrastructure sharing income	-	-	-	1.75	0.18	-	-	-	-	-	-	-
Sale of traded goods	-	-	-	(17.16)	(14.80)	-	-	-	-	-	-	-
Business Support Services	240.00 (240.00)	60.00 (60.00)	-	-	(85.65)	-	-	-	-	-	-	-
Others	-	-	-	-	146.14	-	-	-	-	-	-	-
Interest Income	78.75 (73.18)	44.23 (185.94)	-	-	-	-	-	-	288.32 (187.68)	-	-	-
Rental income from operating leases	63.00 (138.59)	150.00 (197.25)	-	49.16	157.20	33.74 (26.40)	-	-	-	-	-	53.34
Dividend Income	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Tangible Assets	-	1.25 (0.05)	-	0.18	0.40	-	-	-	-	-	-	-
Purchase of Tangible Assets	6.85 (11.47)	2.94 (2.49)	-	-	-	-	-	-	-	-	-	-
Recoveries charged by the company towards expenses (Refer Note 27)	36.56 (83.65)	98.72 (166.77)	-	157.34	112.87	-	-	-	-	-	-	-
Reimbursement of expenses charged to the Company - Others expenses	-	0.44 (0.14)	-	1.03	-	-	-	-	55.44	-	-	2.60
Increase in guarantees given	-	-	-	(3.64)	-	-	-	-	-	-	-	(108.51)
Decrease in guarantees given	-	-	-	-	-	-	-	-	-	-	-	-
Investment made during the year	1,425.00 (2,502.81)	-	-	-	735.00 (16,950.00)	-	-	-	-	-	-	-
Receipt on sale/reduction of Equity/ Ordinary shares	-	-	-	(3.97)	-	-	-	-	-	-	-	-
Equity investment reduced during the year	(5,533.19)	(7,870.75)	-	-	-	-	-	-	-	-	-	-

Notes

forming part of the financial statements for the Year ended 31st March, 2013

42. LOANS AND ADVANCES IN THE NATURE OF LOANS (as required by clause 32 of the listing agreement with the stock exchanges)

(₹ lacs)

Name of the Company		Balance as on 31.03.13	Balance as on 31.03.12	Maximum amount outstanding during the year
National Bulk Handling Corporation Ltd.	Subsidiary	2.58	-	61.42 (227.08)
National Spot Exchange Ltd.	Subsidiary	1.36	2.63	84.54 (3,104.66)
TickerPlant Ltd.	Subsidiary	921.42	328.49	983.68 (3,080.90)
Riskraft Consulting Ltd.	Subsidiary	-	-	- (0.99)
atom Technologies Ltd.	Subsidiary	250.80	923.78	1,451.69 (2,432.42)
Financial Technologies Communications Ltd.	Subsidiary	-	-	9.65 (205.58)
Indian Energy Exchange Ltd.	Associate	4.26	-	5.17 (7.47)
FT Group Investments Pvt. Ltd.	Subsidiary	35,778.26	23,046.91	35,778.26 (23,046.91)
Singapore Mercantile Exchange Pte Ltd.	Step down Subsidiary	0.03	-	3.72 (187.69)
FT Knowledge Management Company Ltd.	Subsidiary	0.38	104.79	104.79 (876.13)
Trans-Global Credit & Finance Ltd.	Subsidiary	1.50	1.00	1.54 (1.05)
Apian Finance & Investment Ltd.	Subsidiary	3,475.52	3,270.00	4,060.06 (4,360.00)
Credit Market Services Ltd.	Subsidiary	19.00	19.00	19.90 (20.68)
Takshashila Academia of Economic Research Ltd.	Subsidiary	132.00	149.00	152.64 (293.89)
Global Board of Trade Ltd.	Step down Subsidiary	-	-	20.16 (2,569.89)
Bourse Africa Ltd.	Step down Subsidiary	3.84	-	25.15 (2.55)
Financial Technologies Middle East DMCC	Step down Subsidiary	-	-	- (109.10)
ICX Platform (PTY) Ltd.	Subsidiary	155.07	142.16	155.07 (142.16)
Multi Commodity Exchange of India Ltd.	Associate	0.07	-	107.23 (2,288.75)
MCX-SX Clearing Corporation Ltd.	Associate	0.19	-	18.51 (1.01)
Indian Bullion Market Association Ltd.	Step down Subsidiary	6.67	0.03	28.63 (41.22)
Financial Technologies Singapore Pte Ltd.	Subsidiary	10,253.82	1,232.04	10,253.82 (1,232.04)
Bahrain Financial Exchange (BSC)	Step down Subsidiary	9.20	-	9.20 (31.98)
TOTAL		51,015.97	29,219.83	

Notes:

- (i) Loans to employees as per the Company's policy are not considered.
- (ii) None of the loanees have made investments in the shares of the Company.
- (iii) Above amount includes non-interest bearing advances.
- (iv) Previous year figures are given in brackets.

Notes

forming part of the financial statements for the Year ended 31st March, 2013

43. STOCK BASED COMPENSATION

- (a) During the financial year 2011-12, Remuneration and Compensation Committee ("Committee") of the Company had granted 900,000 Stock Options ("Options") each under the Employee Stock Option Scheme – 2009 & 2010 totalling to 1,800,000 options at a price of ₹ 770/- to the eligible employees/Directors of the Company ("Employees") in terms of SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended from time to time and as approved by the Shareholders at the Annual General Meetings of the Company held on 25th September 2009 & 29th September 2010 respectively.

During the year under review, Remuneration and Compensation Committee ("Committee") of the Company at their meeting held on March 05, 2013 has considered and approved the grant from reissue of lapsed/cancelled options of 186,630 Stock Options ("Options") under the Employee Stock Option Schemes ("scheme") of which 74,350 options are granted under scheme-2009 and 112,280 options under scheme-2010 at a price of ₹ 807.70 to the eligible employees/Directors of the Company ("Employees") in terms of SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended from time to time.

Details of the Option granted under stock option schemes are as under:

Schemes	Grant Date	No. of Options Granted	Exercise Price in ₹	Vesting Period
ESOP 2009	March 14, 2012	900,000	770.00	14.03.2012 - 13.03.2013
			770.00	14.03.2012 - 13.03.2014
			770.00	14.03.2012 - 13.03.2015
ESOP 2010	March 14, 2012	900,000	770.00	14.03.2012 - 13.03.2013
			770.00	14.03.2012 - 13.03.2014
			770.00	14.03.2012 - 13.03.2015
ESOP 2009 (reissue of lapsed/cancelled options)	March 05, 2013	74,350	807.70	05.03.2013 - 04.03.2014
			807.70	05.03.2013 - 04.03.2015
			807.70	05.03.2013 - 04.03.2016
ESOP 2010 (reissue of lapsed/cancelled options)	March 05, 2013	112,280	807.70	05.03.2013 - 04.03.2014
			807.70	05.03.2013 - 04.03.2015
			807.70	05.03.2013 - 04.03.2016

Each option entitles the holder to exercise the right to apply for and seek allotment of one equity share of ₹ 2/- each. The Intrinsic value of each option is nil, since the options were granted at the market price of the equity shares on the date of grant. The options shall vest in three installments of 20%, 30% and 50% at the end of 1st year, 2nd year and 3rd year respectively from the date of the grant and can be exercised within three months from vesting of options or as may be determined by the Remuneration & Compensation Committee. The tenure of the Schemes is for maximum period of five years from the date of grant of options.

The particulars of the options granted, lapsed and cancelled under aforementioned schemes are as follows:

Particulars	ESOP 2009 (Nos.)	ESOP 2010 (Nos.)
Options outstanding as at the beginning of the year	900,000	900,000
	(-)	(-)
Options granted during the year	74,350	112,280
	(900,000)	(900,000)
Options exercised during the year	-	-
	(-)	(-)
Options lapsed/forfeited/cancelled during the year	81,850	131,325
	(-)	(-)
Options outstanding as at the year-end	892,500	880,955
	(900,000)	(900,000)
Options exercisable as at the year-end	163,630	153,735
	(-)	(-)

Notes

forming part of the financial statements for the Year ended 31st March, 2013

- (b) The Company has followed the intrinsic value-based method of accounting for stock option. Had the compensation cost of the Company's stock based compensation plans been determined using the fair value approach, the Company's net profit for the year would have been lower by ₹ 2,006.40 lacs (Previous Year lower by ₹ 114.22 lacs) and earnings per share would have been lower as indicated below:

(₹ lacs)

Particulars	Current Year	Previous Year
Net profit for the year (₹ lacs)	32,288.06	47,802.93
Less: Total stock-based employee compensation expense determined under fair value based method	2,006.40	114.22
Adjusted net profit for basic & diluted EPS	30,281.66	47,688.71
Weighted average no. of shares : Basic	46,078,537	46,078,537
: Diluted	46,470,444	46,078,537
Basic and diluted earnings per share (face value ₹ 2/- per share)		
- As reported (in ₹) : Basic	70.07	103.74
: Diluted	69.48	103.74
- As adjusted (in ₹) : Basic	65.72	103.49
: Diluted	65.16	103.49

The weighted average fair value of each option on the date of grant/reissue is ₹ 249.05 / ₹ 238.67 under ESOP Scheme - 2009 & 2010 using the Black-Scholes Option Pricing Formula, considering the following parameters:

Particulars	ESOP 2009 & ESOP 2010	
	Options granted during F.Y. 2011-12	Options granted during F.Y. 2012-13
(i) Expected volatility	42.18% to 45.94%	38.57% to 39.27%
(ii) Option life	1.13 years - 3.13 years	1.13 years - 3.13 years
(iii) Dividend yield	0.68%	0.74%
(iv) Risk-free interest rate	8.13% to 8.18%	7.80% to 7.83%
(v) To allow for the effects of early exercise, it is assumed that the employees would exercise the options after vesting date.		
(vi) Expected volatility is based on the historical volatility of the share prices over the period that is commensurate with the expected term of the option.		

44. EMPLOYEE BENEFIT PLANS:

Defined contribution plans: Amounts recognised as expenses towards contributions to provident fund, employee state insurance corporation and other funds by the Company are ₹ 294.33 lacs (Previous Year ₹ 265.30 lacs). Contribution to PF: ₹ 290.52 Lacs (Previous Year ₹ 261.62 Lacs) Contribution to ESIC: ₹ 3.81 Lacs (Previous Year ₹ 3.68 Lacs)

Post employment defined benefit plans:

Gratuity Plan: The Company makes annual contributions to the Employee's Group Gratuity Assurance Scheme administered by the Life Insurance Corporation of India ('LIC'), a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to fifteen days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs on completion of five years of service.

The following table sets out the status of the gratuity plan as required under AS -15 (Revised):

Notes

forming part of the financial statements for the Year ended 31st March, 2013

(₹ lacs)

Sr No	Nature of Transactions	Current Year	Previous Year			
I.	Change in benefit obligation:					
	Projected benefit obligation at the beginning of the year	947.81	775.73			
	Interest Cost	80.40	64.00			
	Current Service Cost	116.85	150.50			
	Benefits Paid	(70.09)	(96.72)			
	Actuarial (gain)/loss on obligations	116.35	25.32			
	Obligation transferred/settled	(28.91)	28.98			
	Projected benefit obligation at the end of the year	1,162.41	947.81			
II.	Change in plan assets					
	Fair Value of the plan asset at beginning of the year	721.41	593.89			
	Expected return on plan assets	62.04	49.00			
	Contributions	155.74	170.07			
	Benefits paid	(70.09)	(96.72)			
	Obligation transferred	(28.91)	-			
	Actuarial gain on plan assets	0.93	5.17			
	Fair value of plan assets at the end of the year	841.12	721.41			
	Excess of obligation over plan assets	(321.29)	(226.40)			
III.	Gratuity expense for the year					
	Current service cost	116.85	150.50			
	Interest cost	80.40	64.00			
	Expected return on plan assets	(62.04)	(49.00)			
	Net actuarial (gain)/loss recognized	115.42	20.15			
	TOTAL	250.63	185.65			
IV.	Actual return on plan assets	62.97	54.17			
V.	Category of Assets as at end of the year					
	Insurer Managed Funds	841.12	721.41			
	Fund is managed by LIC of India as per IRDA guidelines, category wise composition of planned asset is not available					
	TOTAL	841.12	721.41			
VI.	Assumptions					
	Discount rate	8.00%	8.75%			
	Salary escalation rate	7.50%	7.50%			
	Expected rate of return on plan assets	8.70%	8.75%			
VII.	Experience adjustments:	2013	2012	2011	2010	2009
	Defined benefit obligation	1,162.41	947.81	775.73	667.03	535.48
	Fair value of planned assets	841.12	721.41	593.88	452.59	349.29
	Deficit	321.29	226.40	181.85	214.44	186.19
	Experience adjustment on plan liabilities [(Gain)/Loss]	22.61	71.26	68.23	(26.59)	19.02
	Experience adjustment on plan assets [Gain/(Loss)]	0.93	5.17	6.01	4.28	1.78

Expected rate of return on plan assets is based on expectation of the average long term rate of return expected to prevail over the estimated term of the obligation on the type of the investments assumed to be held by LIC, since the fund is managed by LIC.

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotions and other relevant factors, such as supply and demand in the employment market.

The Company expects to contribute ₹ 350.19 lacs to the plan assets during financial year 2013-14.

Notes

forming part of the financial statements for the Year ended 31st March, 2013

45. JOINT VENTURE DISCLOSURE:

(a) Jointly Controlled Entity ('JCE') of the Company:

Name of the Entity	: Dubai Gold and Commodities Exchange DMCC ('DGCX')
Country of Incorporation	: United Arab Emirates
% Holding	: 18.58% (Previous Year 18.58%)

(b) Company's share of interest in the assets, liabilities, income, expenses, contingent liabilities and commitments with respect to JCE as at and for the year ended March 31, 2013:

The amounts are translated at the year end rate for assets and liabilities and average rate for income and expenses for DGCX.

Transactions during the year	₹ lacs
I. Assets	
1. Fixed Assets	44.03 (83.10)
2. Current Assets	
(a) Trade receivables	11.52 (44.01)
(b) Cash and cash equivalents	8,115.13 (5,189.98)
(c) Short term loans and advances	101.94 (26.03)
(d) Other Current Assets	82.84 (41.03)
II. Liabilities	
1. Trade payables	878.07 (767.93)
2. Other Current Liabilities	7,684.65 (4,767.27)
3. Provisions	242.22 (198.49)
III. Income	
1. Admission Fees	39.75 (89.53)
2. Transaction Fees	758.92 (290.61)
3. Interest Income	149.68 (107.64)
4. Other Income	22.25 (13.64)
IV. Expenses	
1. Employee benefits expense	447.76 (445.41)
2. Other expenses	555.08 (328.21)
3. Depreciation and amortisation expenses	39.38 (39.84)
V. Contingent liabilities	- (-)
VI. Capital and other commitments	- (-)

Previous year figures are given in brackets.

Notes

forming part of the financial statements for the Year ended 31st March, 2013

46. REMITTANCE IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND

The Company has paid dividend, during the year, in respect of shares held by non-resident shareholders including Foreign Institutional Investors and GDR custodian. The total amount remitted as stated below represents amount paid into Indian bank as per mandate/direction given by the non resident shareholders. Consequently, the exact amount of dividend remitted in foreign currency cannot be ascertained.

Year to which the dividend relates	Number of non resident shareholders	Number of Shares held by non resident shareholders on which dividend is due	Amount of dividend paid to Non Resident shareholders (Amount in ₹ lacs)
Dividends paid during 2012-13			
2012-13 (1 st Interim Dividend)	673	9,365,494	187.31
2012-13 (2 nd Interim Dividend)	776	11,086,438	221.73
2012-13 (3 rd Interim Dividend)	812	11,413,748	228.27
2011-12 (Final Dividend)	663	10,665,168	213.30
Dividends paid during 2011-12			
2011-12 (1 st Interim Dividend)	667	11,189,261	223.79
2011-12 (2 nd Interim Dividend)	672	10,793,328	215.87
2011-12 (3 rd Interim Dividend)	688	10,371,909	207.44
2010-11 (Final Dividend)	662	11,206,655	224.13

47. As per Regulatory requirement under Central Electricity Regulatory commission (Power Market) Regulations 2010, the Company needs to reduce its holding in an associate company viz. Indian Energy Exchange Limited (IEX) to 25% on or before 20th January 2014 and accordingly holding in excess of 25% of the share capital of IEX i.e. 8.49% is shown under current investment.

48. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

For and on behalf of the Board

Jignesh Shah
Chairman & Managing Director

P. R. Barpande
Director

Naishadh Desai
Sr. Vice President (Legal) & Company Secretary

Devendra Agrawal
Chief Financial Officer

Place : Mumbai
Date : 30th May, 2013

Place : Mumbai
Date : 30th May, 2013

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Financials

CONSOLIDATED

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF FINANCIAL TECHNOLOGIES (INDIA) LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **FINANCIAL TECHNOLOGIES (INDIA) LIMITED** (the "Company"), its subsidiaries and jointly controlled entity (the Company, its subsidiaries and jointly controlled entity constitute "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on the financial statements / consolidated financial statements / financial information of the subsidiaries, jointly controlled entity and associates referred to below in the Other Matter paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2013;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Emphasis of Matter

We draw attention to:

- (a) Note 42 to the Consolidated Financial Statements regarding the associate Company's stand of not treating members' margin and income thereon as part of Settlement Guarantee Fund (SGF) contemplated under the directions of the Forward Market Commission (FMC) and instead crediting such margins to 'Other current liabilities' and such income to the Statement of Profit and Loss (amounts unascertained) for the reason stated therein.
- (b) Note 2(C)(iii) to the Consolidated Financial Statements regarding Emphasis of Matter made by the auditors of a jointly controlled entity, wherein it is stated that the consolidated financial statements of the said entity for the year ended 31st December, 2012 have been prepared on a going concern basis, notwithstanding the said entity having incurred a loss ₹ 279.74 lacs (to the extent of the Group's share) and has net liabilities of ₹ 888.65 lacs (to the extent of the Group's share) as on that date, for the reasons stated in the said Note.

Our opinion is not qualified in respect of these matters.

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF FINANCIAL TECHNOLOGIES (INDIA) LIMITED

Other Matter

We did not audit the financial statements/consolidated financial statements of 39 subsidiaries and a jointly controlled entity, whose financial statements reflect total assets of ₹ 194,550.19 lacs as at 31st March, 2013, total revenues of ₹ 52,126.86 lacs and net cash inflows amounting to ₹ 12,814.40 lacs for the year ended on that date as considered in the Consolidated Financial Statements, comprising:

- (a) Total assets of ₹ 177,063.81 lacs as at 31st March, 2013, total revenues of ₹ 50,089.55 lacs and net cash inflows amounting to ₹ 12,738.97 lacs for the year ended on that date in respect of 39 subsidiaries whose financial statements / consolidated financial statements have been audited by other auditors and their reports have been furnished to us and our opinion in so far as it relates to the amounts included in respect of these subsidiaries is based solely on the reports of the other auditors. The consolidated financial statements also include the Group's share of net profit of ₹ 2,285.36 lacs for the year ended 31st March, 2013, as considered in the consolidated financial statements, in respect of 2 associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these associates, is based solely on the reports of the other auditors.
- (b) Total assets of ₹ 17,486.38 lacs as at 31st March, 2013, total revenues of ₹ 2,037.31 lacs and net cash inflows amounting to ₹ 75.43 lacs for the year ended on that date in respect of a jointly controlled entity, whose reporting date is of 31st December, 2012 and different from the reporting date of the Company and the consolidated financial statements have been audited by other auditors. In terms of Accounting Standard 27, adjustments have been made for transactions of this jointly controlled entity for the periods from 1st January, 2013 to 31st March, 2013 and 1st January, 2012 to 31st March, 2012, on the basis of its management accounts for the said periods. Our opinion in so far as it relates to the amounts included in respect of this jointly controlled entity is based solely on the reports of the other auditors furnished to us and the management accounts as aforesaid.

Our opinion is not qualified in respect of these matters.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

(Firm Registration No. 117366W)

Rajesh K Hiranandani

Partner

(Membership No. 36920)

MUMBAI, 30th May, 2013

Consolidated Balance Sheet

as at 31st March, 2013

(₹ lacs)

	Note No.	As at 31.03.2013	As at 31.03.2012
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	921.57	921.57
(b) Reserves and surplus	4	180,642.84	167,651.35
		181,564.41	168,572.92
2 Minority interest		1,627.88	1,489.39
3 Non-current liabilities			
(a) Long-term borrowings	5	123,295.04	115,736.52
(b) Deferred tax liabilities (net)	6	2,687.15	1,819.10
(c) Other long-term liabilities	7	1,007.07	614.78
(d) Long-term provisions	8	2,420.85	1,690.39
		129,410.11	119,860.79
4 Current liabilities			
(a) Short-term borrowings	9	22,915.32	8,865.88
(b) Trade payables	10	11,494.04	6,194.50
(c) Other current liabilities	11	118,281.37	59,018.95
(d) Short-term provisions	12	3,388.65	2,314.53
		156,079.38	76,393.85
TOTAL		468,681.78	366,316.95
II. ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	13 A	50,991.92	49,424.32
(ii) Intangible assets	13 B	302.65	838.92
(iii) Intangible assets under development		-	8.27
(iv) Capital work-in-progress		42.70	261.53
		51,337.27	50,533.04
(b) Goodwill on consolidation		1,356.18	1,356.18
(c) Non-current investments	14	59,639.22	52,225.96
(d) Long-term loans and advances	15	22,756.62	26,906.66
(e) Other non-current assets	16	2,234.48	3,532.17
		137,323.77	134,554.01
2 Current assets			
(a) Current investments	17	137,012.53	111,624.21
(b) Inventories	18	38,021.29	18,490.05
(c) Trade receivables	19	42,099.50	7,246.17
(d) Cash and cash equivalents	20	64,295.68	66,819.77
(e) Short-term loans and advances	21	11,563.85	10,220.00
(f) Other current assets	22	38,365.16	17,362.74
		331,358.01	231,762.94
TOTAL		468,681.78	366,316.95
See accompanying notes forming part of the consolidated financial statements		1 to 54	

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Rajesh K Hiranandani
Partner

Place : Mumbai
Date : 30th May, 2013

For and on behalf of the Board.

Jignesh Shah
Chairman & Managing Director

Naishadh Desai
Sr. Vice President (Legal)
& Company Secretary

P. R. Barpande
Director

Devendra Agrawal
Chief Financial Officer

Place : Mumbai
Date : 30th May, 2013

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2013

(₹ lacs)

	Note No.	Year Ended 31.03.2013	Year Ended 31.03.2012
Revenue from operations	23	75,193.01	50,123.37
Other income	24	20,406.28	33,306.66
Total revenue		95,599.29	83,430.03
Expenses			
Purchases of stock-in-trade	25	56.65	290.48
Changes in inventory of stock-in-trade	26	5.01	(5.49)
Employee benefits expense	27	25,008.52	24,687.01
Finance costs	28	9,799.83	6,717.77
Depreciation and amortisation expense	29	3,268.15	3,164.04
Other expenses	30	30,530.23	26,067.03
Total expenses		68,668.39	60,920.84
Profit before tax		26,930.90	22,509.19
Tax expense / (credit)			
(a) Current tax expense for current year		13,526.92	11,099.82
(b) Less: MAT credit		(7.86)	(6,603.50)
(c) Current tax expense relating to prior years		98.76	1,109.65
(d) Less: MAT credit availed relating to prior years		(231.24)	-
(e) Net current tax expense		13,386.58	5,605.97
(f) Deferred Tax		868.05	602.93
Net tax expense		14,254.63	6,208.90
Profit after tax before share of profit of associates and minority interest		12,676.27	16,300.29
Net share of profit of associates (equity method)		10,203.65	10,283.12
Net minority interest in profit of subsidiaries		(136.04)	(178.17)
Profit for the year		22,743.89	26,405.24
Earnings per share:	46		
Basic per share (in ₹)		49.36	57.30
Diluted per share (in ₹)		48.42	57.30
Face Value Per Share (in ₹)		2	2
See accompanying notes forming part of the consolidated financial statements		1 to 54	

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Rajesh K Hiranandani
Partner

Place : Mumbai
Date : 30th May, 2013

For and on behalf of the Board.

Jignesh Shah
Chairman & Managing Director

Naishadh Desai
Sr. Vice President (Legal)
& Company Secretary

P. R. Barpande
Director

Devendra Agrawal
Chief Financial Officer

Place : Mumbai
Date : 30th May, 2013

Consolidated Cash Flow Statement

for the year ended 31st March, 2013

(₹ lacs)

	Year Ended 31.03.2013		Year Ended 31.03.2012	
A. Cash flow from operating activities				
Net profit before tax		26,930.90		22,509.19
Adjustments for:				
Depreciation and amortisation expense	3,268.15		3,164.04	
Profit on sale of partial stake in an associate company	-		(19,660.61)	
Profit on sale of other investments (net)	(4,772.83)		(1,928.91)	
(Profit) / Loss on disposal / write off of fixed assets (net)	(394.18)		270.74	
Impairment of fixed assets	47.28		-	
Bad trade receivables / advances written off and provision for doubtful trade receivable / advances (net)	2,101.51		1,130.38	
Reversal of write down in value of current investments (net)	(35.44)		(12.64)	
Dividend income	(4,899.09)		(4,714.04)	
Finance costs	9,799.83		6,717.77	
Exchange rate fluctuations- loss	9,776.67		2,608.77	
Interest income	(7,358.36)	7,533.54	(2,183.38)	(14,607.88)
Operating profit before working capital changes		34,464.44		7,901.31
Changes in working capital:				
Inventories	(19,531.24)		(3,166.72)	
Trade and other receivables	(58,951.09)		(4,621.46)	
Trade payables and provisions	64,701.08	(13,781.25)	31,528.83	23,740.65
Cash generated from operations		20,683.19		31,641.96
Net income tax paid		(4,691.00)		(6,245.45)
Net cash flow from operating activities		15,992.19		25,396.51
B. Cash flow from investing activities				
Capital expenditure on fixed assets including capital advances		(8,436.74)		(4,328.81)
Proceeds from sale of fixed assets		1,714.70		201.95
Proceeds from partial sale of stake in an associate company (net of expenses) (Refer Note 33)		-		25,193.63
Purchases of investments		(775,642.54)		(411,318.74)
Acquisition of subsidiary and investment in subsidiaries		-		(106.92)
Proceeds from sale of investments		751,943.10		374,576.76
Increase in fixed deposit with banks		(19,987.20)		(507.11)
Interest income		6,843.38		2,272.80
Dividend income from associate companies		4,956.25		886.58
Dividend income		4,899.09		4,751.00
Cash used in investing activities		(33,709.96)		(8,378.86)
Net income tax paid		(1,151.07)		(3,522.59)
Net cash used in investing activities		(34,861.03)		(11,901.45)
C. Cash flow from financing activities				
Repayment of Zero Coupon Convertible Bonds including premium on redemption and withholding tax thereon		-		(71,662.68)
Repayment of other borrowings		(99.65)		(12,962.96)
Increase / (decrease) in working capital demand loan		14,049.44		(240.53)
Proceeds from other borrowings		452.21		57,321.25
Dividend paid during the year (including dividend tax)		(4,289.05)		(4,277.09)
Proceeds from issue of shares to minority shareholders in subsidiaries		2.45		-
Finance costs		(7,851.23)		(7,118.41)
Cash generated from / (used in) financing activities		2,264.17		(38,940.42)
Net decrease in cash and cash equivalents (A+B+C)		(16,604.67)		(25,445.36)
Cash and cash equivalents (opening balance)		40,203.22		65,648.58
Cash and cash equivalents (closing balance)		23,598.55		40,203.22

Consolidated Cash Flow Statement (contd.)

for the year ended 31st March, 2013

(₹ lacs)

Notes to cash flow statement:	Current Year	Previous Year
1. Cash and Cash equivalents	23,598.55	40,203.22
Effect on exchange differences on restatement of foreign currency cash and cash equivalents	4,677.90	10,710.32
Cash and cash equivalents (Refer Note 20)	28,276.45	50,913.54
2. Fixed deposits with banks with maturity period of more than three months are classified and grouped in investing activities and not included in cash and cash equivalents.		
3. The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard AS-3 "Cash Flow Statement".		

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Rajesh K Hiranandani
 Partner

Place : Mumbai
Date : 30th May, 2013

For and on behalf of the Board.

Jignesh Shah
 Chairman & Managing Director

Naishadh Desai
 Sr. Vice President (Legal)
 & Company Secretary

Place : Mumbai
Date : 30th May, 2013

P. R. Barpande
 Director

Devendra Agrawal
 Chief Financial Officer

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

1. GENERAL INFORMATION

The Financial Technologies group is among the global leaders in offering technology IP (Intellectual Property) and domain expertise to create and trade on next-generation financial markets that are transparent, efficient and liquid, across all asset classes including equities, commodities, currencies and bonds among others. The group is pioneer in end to end Straight through Processing (STP) solution that support high density transactions. It has developed proprietary technology platform benchmarked against global standard which give it a decisive edge in driving mass disruptive innovation at the speed and cost of execution unmatched in the financial market industry.

The Financial Technologies group operates one of the world's largest network of 9 connecting fast-growing economies of Africa, Middle East, India and South East Asia. The group also has five ecosystem ventures to address upstream and downstream opportunities around exchanges, including clearing, depository, information vending, and payment gateway among others.

2. SIGNIFICANT ACCOUNTING POLICIES:

A. Basis of preparation of financial statements

The consolidated financial statements of Financial Technologies (India) Limited ('the Parent Company') and its subsidiary companies, associate companies and joint venture company (Refer Note C below for list of entities included in consolidated financial statements) (the Parent Company, its subsidiaries and jointly controlled entity constitute 'the Group') have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India.

The financial statements of subsidiaries and associates used in the consolidation are drawn upto the same reporting date as that of the Parent Company, viz March 31, 2013. In respect of the financial statements of a jointly controlled entity group used in the consolidation, whose reporting date is of 31st December, 2012 and different from the reporting date of the Parent Company, in terms of Accounting Standard 27, adjustments have been made for transactions of this jointly controlled entity group for the periods from 1st January, 2013 to 31st March, 2013 and 1st January, 2012 to 31st March, 2012, on the basis of its management accounts for the said periods. (see note no 2(C)(iii) below)

B. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known / materialize.

C. Principles of consolidation

The consolidated financial statements have been prepared in accordance with Accounting Standard (AS-21) "Consolidated Financial Statements", Accounting Standard (AS-23) "Accounting for Investments in Associates in Consolidated Financial Statements" and Accounting Standard (AS-27) "Financial Reporting of Interests in Joint Ventures" as notified under the Companies (Accounting Standards) Rules, 2006 on the following basis:

(i) Investments in subsidiaries:

- (a) The financial statements of the Parent Company and its subsidiaries are combined on line-by-line basis by adding together the book values of like items of the assets, liabilities, income and expenses, after elimination of intra group balances, intra group transactions and unrealised profits or losses on balances remaining within the Group. These financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- (b) In case of foreign subsidiaries, being non-integral foreign operations, translation of financial statements for consolidation is done in accordance with the policy stated in Note M below.
- (c) The difference between the cost of investment in the subsidiaries, and the share of equity in the subsidiaries, on acquisition date, is recognised in the financial statements as goodwill or capital reserve, as the case may be.
- (d) Minority interest in the net assets of consolidated subsidiaries consists of:
 - i. The amount of equity attributable to minorities at the date the parent-subsidiary relationship came into existence and
 - ii. The minorities share of movement in equity since the date the parent-subsidiary relationship came into existence.
- (e) Minority interest's share of net profit/loss of consolidated subsidiaries is identified and adjusted against the profit of the group. Minority interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separately from liabilities and equity of the Parent Company's shareholders.
- (f) The subsidiary companies considered in the presentation of the consolidated financial statements are:

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

Sr. No	Name of Subsidiaries	Country of incorporation	Proportion of Ownership Interest (Current year)	Proportion of Ownership Interest (Previous year)
1.	atom Technologies Limited (atom)	India	99.43%	96.62%
2.	IBS Forex Limited (IBS)	India	86.29%	86.29%
3.	National Spot Exchange Limited (NSEL)	India	99.99%	99.99%
4.	Indian Bullion Market Association Limited (subsidiary of NSEL)	India	60.88%	60.88%
5.	National Bulk Handling Corporation Limited (NBHC)	India	92.68%	92.68%
6.	Farmer Agricultural Integrated Development Alliance Ltd. (subsidiary of NSEL w.e.f 1 st August, 2012) (FAIDA)	India	100.00%	-
7.	Westernghats Agro Growers Company Limited (subsidiary of NSEL w.e.f 5 th September, 2012) (WAG)	India	51.00%	-
8.	TickerPlant Limited (TickerPlant)	India	97.59%	97.59%
9.	Riskraft Consulting Limited (Riskraft)	India	100.00%	100.00%
10.	Financial Technologies Middle East DMCC (FTME) (subsidiary of FTGIPL w.e.f 25 th March, 2012) (formerly direct subsidiary of Financial Technologies (India) Limited)	U.A.E.	100.00%	100.00%
11.	Financial Technologies Projects Pvt. Ltd. (FTPPL)	Mauritius	100.00%	100.00%
12.	Capricorn Fin-Tech (Private) Limited (Subsidiary of FTME)	Bangladesh	99.99%	99.99%
13.	Bahrain Financial Exchange BSC (c) (BFX) (subsidiary of FTGIPL)	Kingdom of Bahrain	100.00%	100.00%
14.	Financial Technologies Communications Limited (FTCL)	India	100.00%	100.00%
15.	Global Payment Networks Limited (GPNL)	India	100.00%	100.00%
16.	FT Knowledge Management Company Limited (FTKMCL)	India	100.00%	100.00%
17.	Trans-Global Credit & Finance Limited (TGCF)	India	100.00%	100.00%
18.	FT Group Investments Pvt. Ltd. (FTGIPL)	Mauritius	100.00%	100.00%
19.	Bourse Africa Limited (BAL) (subsidiary of FTGIPL)	Botswana	99.98%	99.98%
20.	Knowledge Assets Pvt. Ltd. (KAPL)	Mauritius	100.00%	100.00%
21.	Global Board of Trade Limited (GBOT) (subsidiary of FTGIPL w.e.f 19 th March, 2012) (formerly direct subsidiary of Financial Technologies (India) Limited)	Mauritius	100.00%	100.00%
22.	GBOT Clear Limited (GBOT CL) (subsidiary of GBOT)	Mauritius	100.00%	-
23.	Financial Technologies Singapore Pte Limited (FTSPL)	Singapore	100.00%	100.00%
24.	Singapore Mercantile Exchange Pte. Ltd. (SMX) (subsidiary of FTSPL)	Singapore	100.00%	100.00%
25.	Singapore Mercantile Exchange Clearing Corporation Pte. Ltd. (SMX-CCL) (subsidiary of SMX)	Singapore	100.00%	100.00%
26.	ICX Platform (Pty) Limited (ICX)	South Africa	100.00%	90.00%
27.	Credit Market Services Limited (CMSL)	India	99.99%	99.99%
28.	Apian Finance & Investment Limited (Apian)	India	99.99%	99.99%
29.	Takshashila Academia of Economic Research Limited (TAER)	India	100.00%	100.00%
30.	FT Projects Limited. (FTPL)	India	100.00%	100.00%
31.	Bursa India Ltd. (BIL)	India	100.00%	100.00%
32.	BFX Clearing & Depository Corporation BSCC (Subsidiary of BFX)	Bahrain	100.00%	100.00%
33.	Bourse Tanzania Limited (Subsidiary of BAL)	Tanzania	100.00%	100.00%
34.	Bourse Uganda Limited (subsidiary of BAL)	Uganda	100.00%	100.00%
35.	Bourse Africa (Kenya) Limited (subsidiary of BAL)	Kenya	100.00%	100.00%
36.	Bourse Exchange Nigeria Limited (subsidiary of BAL)	Nigeria	100.00%	100.00%
37.	Bourse Zambia Limited (subsidiary of BAL)	Zambia	100.00%	100.00%
38.	ICX Africa Limited (subsidiary of BAL) (w.e.f 26 th July, 2011)	Botswana	100.00%	100.00%
39.	Bourse South Africa Limited (subsidiary of BAL) (w.e.f October 19, 2012)	Botswana	100.00%	-

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

- (i) In respect of subsidiaries listed in Sr. No. 2, 8, 9, 13, 18, 19, 27 & 29 of para f) above, financial statements have been prepared on a going concern basis, where accumulated losses aggregate ₹ 38,689.76 lacs which is inter alia dependent on availability of funds to finance future operations, achievement of projected higher growth and continued financial support from the ultimate holding company.

FTGIPL along with its subsidiaries has accumulated consolidated losses of ₹ 37,946.83 lacs, where their auditors have drawn emphasis of matter paragraph in their report.

(ii) **Investments in Associate Companies:**

(a) The consolidated financial statements include the share of profit/loss of associate companies, accounted under the 'Equity method' under which the Group originally records its investment at cost and the carrying amount is increased/decreased to recognise the Group's share of profits/losses/changes directly included in associate's equity after the date of acquisition. An associate is an enterprise in which the investor has significant influence and which is neither a subsidiary nor a joint venture.

(b) The difference between the cost/carrying value of investment in the associates and the share of net assets at the time of acquisition is identified as goodwill or capital reserve, as the case may be and included in the carrying amount of investment and disclosed separately. (Refer Note 40 and 41)

Sr. No	Name of Associates	Country of incorporation	Proportion of Ownership Interest (Current year)	Proportion of Ownership Interest (Previous year)
1.	Multi Commodity Exchange of India Limited (MCX)	India	26.00%	26.00%
2.	Indian Energy Exchange Limited (IEX)	India	33.49%	33.49%
3.	MCX-SX Clearing Corporation Limited (MCX-SX CCL)	India	23.00%	23.00%
4.	SME Exchange of India Limited (SME) (w.e.f 26 th September, 2011)	India	49.00%	49.00%

(iii) **Investments in Joint Venture Companies:**

The Group's interest in joint venture companies is accounted using proportionate consolidation method and translated (in case of non-integral foreign joint venture company) using the translation principles stated in Note M below.

Name of Entity	Country of Incorporation	Proportion of Ownership Interest (Current year)	Proportion of Ownership Interest (Previous year)
Dubai Gold and Commodities Exchange DMCC (DGCX) (including its subsidiary viz. Dubai Commodities Clearing Corporation DMCC) Clearing Corporation DMCC	U.A.E.	39.11%	39.11%

Held by the Parent Company 18.58% and FTGIPL 20.53%: (Previous Year 18.58% and 20.53% respectively)

Refer Note 44 for the statement of the Group's share of interest in the assets, liabilities, income and expenses with respect to a joint controlled entity group, Dubai Gold and Commodities Exchange DMCC Group (DGCX). DGCX has incurred a loss of ₹ 279.74 lacs for the year ended 31st December, 2012 (for the year ended 31st March, 2013: ₹ 156.26 lacs) (the Group's share) and has net liabilities of ₹ 888.65 lacs as at 31st December, 2012 (for the year ended 31st March, 2013: ₹ 935.27 lacs) (to the extent of the Group's share). The continuation of the DGCX's operations is dependent upon the future profitable operations of DGCX, continued financial support of its shareholders and the ability of DGCX to generate sufficient cash flows to meet its obligations as they fall due. Notwithstanding these facts, the consolidated financial statements of DGCX have been prepared on a going concern basis as the major shareholder (other joint venture partner) of DGCX, has agreed to provide adequate financial support to DGCX to enable it to continue its operations for the foreseeable future and to meet its liabilities as they fall due. The auditors of DGCX have drawn emphasis of matter paragraph in their report on the consolidated Financial Statements of DGCX for the year ended 31st December 2012.

D. Fixed assets (tangible assets)

Fixed assets are stated at cost of acquisition or construction and carried at cost less accumulated depreciation and impairment loss, if any.

E. Intangible assets

Intangible assets are recognised only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. Expenditure on an intangible item is expensed when incurred unless it forms part of the cost of intangible asset that meets the recognition criteria. Intangible assets are stated at cost of acquisition and are carried at cost less accumulated amortisation and impairment loss, if any.

F. Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. Premium relating to redemption of zero coupon convertible bonds is debited to Securities Premium Account as permitted under section 78 of the Companies Act, 1956. Ancillary borrowing costs are amortised over the period of loan. All other borrowing costs are charged to revenue.

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

G. Operating leases

Assets taken/given on lease under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments/income under operating leases are recognised as expenses/income on a straight line basis over the lease term in accordance with the respective lease agreements.

H. Derivative instruments

The Group uses derivative financial instruments such as forward foreign exchange contracts entered into for hedging the risks of foreign currency exposure (in respect of highly probable forecasted transactions/firm commitments) and interest rate swaps to hedge its risks associated with fluctuations in interest rate. As per principles of prudence as enunciated in Accounting Standard 1 (AS-1), "Disclosure of Accounting Policies", losses, if any, on Mark to Market basis, are recognised in the statement of Profit and Loss and gains are not recognised on prudent basis.

I. Depreciation and amortisation

(a) Depreciation and amortisation is provided for on straight line basis and is based on the following useful lives as per Schedule XIV / as estimated by the management:

Assets	Estimated useful life
Building	58 years
Leasehold improvements	Over the period of lease (over 3 years in case of DG CX and GBOT)
Premium on leasehold land	Over the period of lease
Office equipment (excluding computer hardware)	3-21 years
Computer hardware	3-6 years
Furniture and fittings	3-16 years
Vehicles	10 years
Trade mark and Copyrights	5-10 years
Technical knowhow	6 years
Computer software	3-6 years

(b) Goodwill arising on consolidation is not amortised but is tested for impairment in accordance with the accounting policy stated in para Q below.

J. Investments

Current investments are carried at the lower of cost and fair value. Long-term investments other than in Associates are stated at cost less provision for diminution. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management. Associates are accounted using the equity method as stated in policy C (ii) above. The difference between carrying amount of the investments determined on the basis of average cost and sale proceeds, net of expense, is recognised as profit or loss on sale of investments.

K. Revenue recognition

(a) Revenue is recognised when no significant uncertainty as to determination and realisation exists.

(b) Revenues are stated net of returns, trade discounts, VAT, lease tax and service tax wherever applicable.

(c) Income from software products (IPR based and licenses) and income from software services (project based) for the use of software applications is recognised on delivery/granting of right to use.

Revenue from fixed price service contracts is recognised based on milestones/acts performed as specified in the contracts or on a straight line basis over the contract period where performance of several acts is required over that period. In the case of time and material contracts, revenue is recognised on the basis of hours completed and material used.

Revenue from annual maintenance contracts, lease of licenses, IT infrastructure sharing income and Shared Business Support Services is recognised proportionately over the period in which the services are rendered/licenses are leased.

Revenue from sale of traded goods is recognised when the significant risks and rewards in respect of ownership of products are transferred by the Group.

(d) Income from Procurement service charges are levied on value of procurement and are recognised on accrual basis on completion of procurement and processing activity. Commitment fees are recognised upfront as per the terms of agreement with clients.

(e) In case of exchange related business, Admission fees (nonrefundable) to the exchange collected from new members for joining the exchange are recognised when the membership is approved. Advances against membership application are only recognised as income when the application has been approved. Annual subscription fees (nonrefundable) are collected from members and accrued annually. Transaction fees are charged to members based on the volume of transactions entered into by the members through the exchange. These are accrued when orders placed by members on the network are matched and confirmed. Revenue from terminal charges is accrued on creation of new chargeable user identification.

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

- (f) Delivery fees relating to NSEL are charged to members on the basis of trades executed. In case seller members, delivery fees are recognised on accrual basis and in case of buyer members, delivery fees are recognised at the time of withdrawals of commodities from the exchange/exchange accredited warehouses.
- (g) Income from consultancy services is recognised when the services are provided.
- (h) Service charges include income from various services viz. IT infrastructure income, collateral management services, delivery fees, POS service charges, gateway service charges, demat, revenue from broking, commission, revenue sharing income, coaching and training fees, internet telecommunication charges, data fee and message services which are recognised as and when services are rendered and in the case of gateway service income, on completion of the transaction.
- (i) Storage charges are accrued as income on the completion of storage cycle.
- (j) Dividend income is recognised when the Group's right to receive the dividend is established. Interest income is recognised on time proportion basis. Insurance claim receivable is recognised when such claim is admitted by the Insurance Company.
- (k) Income from derivatives comprises of profit/loss on buy/sell of commodity derivative instruments. Profit/Loss on commodity derivative transactions is accounted for on final settlement or on squaring up of contracts. Profit or Loss is calculated as the difference between settlement/squaring up price and the contract price.

L. Stock based compensation

The compensation cost of stock options granted by the Group is measured by the intrinsic value method, i.e. the difference, if any, between the market price/fair value, as the case may be, of the underlying shares on the date of the grant of options and the exercise price to be paid by the option holders, is amortised uniformly over the vesting period of the options. (Refer Note 34).

M. Foreign currency transactions and translation

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction.

Monetary items denominated in foreign currency are restated using the exchange rate prevailing at the balance sheet date. Exchange differences relating to long term monetary items are dealt with in the following manner:

- (i) Exchange differences arising during the year, in so far as they relate to the acquisition of a depreciable capital asset are added to / deducted from the cost of the asset and depreciated over the balance life of the asset.
- (ii) In other cases, such differences are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortised to the Statement of Profit and Loss over the balance life of the long-term monetary item.

All other exchange differences are dealt with in the Statement of Profit and Loss.

Non-monetary items denominated in foreign currency are carried at historical cost.

Foreign operations

The translation of the financial statements of non integral foreign operations (including branches) is accounted for as under:

- (a) All revenues and expenses are translated at average rate.
- (b) All monetary and non-monetary assets and liabilities are translated at the rate prevailing on the balance sheet date.
- (c) Resulting exchange difference is accumulated in Foreign Currency Translation Reserve Account until the disposal of the net investment in the said non integral foreign operation.
- (d) Foreign subsidiaries (non-integral foreign operations) financial statements are prepared in the currency of country in which they are domiciled except when another currency is considered appropriate based on revenue and cost stream.

N. Employee benefits

(a) Post-employment benefits and other long term benefits

Payments to defined contribution retirement schemes viz. provident fund and employee state insurance are expensed as incurred.

For defined benefit schemes and other long term benefit plans viz. gratuity and compensated absences expected to occur after twelve months, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the balance sheet date. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of the available refunds and reduction in contributions to the scheme.

(b) Short term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period when the employee renders those services. These benefits include compensated absences such as leave expected to be availed within a year and performance incentives.

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

O. Income taxes

Income taxes are accounted for in accordance with Accounting Standard (AS-22) "Accounting for Taxes on Income". Tax expense comprises current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax laws. The Group recognises deferred tax (subject to consideration of prudence) based on the tax effect of timing differences, being differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the statement of profit and loss using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are not recognised on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the entity will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that entity will pay normal income tax during the specified period.

P. Inventories

Inventories are valued at lower of cost on First in First out (FIFO) basis or net realizable value. Cost comprises of cost of purchase and other costs incurred in bringing the inventories to their respective present location and condition. In case of defective and obsolete items, due allowance is estimated and provided for wherever necessary.

Packing materials - Fumigation Sheets and Dunnage: Fumigation sheets and dunnage has a useful life of three years and two years respectively. Accordingly cost of fumigation sheets and dunnages are being written off over the period of three years and two years respectively from the date of put to use.

Q. Impairment of assets

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the assets. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at lower of the carrying amount that would have been determined had no impairment loss been recognised and recoverable amount.

R. Provisions, contingent liabilities and contingent assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but disclosed by way of notes to the accounts. Contingent assets are neither recognised nor disclosed in the financial statements.

3. SHARE CAPITAL	As at 31.03.2013		As at 31.03.2012	
	Number of shares	₹ lacs	Number of shares	₹ lacs
Authorised:				
Equity shares of ₹ 2/- each	150,000,000	3,000.00	150,000,000	3,000.00
Issued, subscribed and fully paid up:				
Equity shares of ₹ 2/- each	46,078,537	921.57	46,078,537	921.57
TOTAL	46,078,537	921.57	46,078,537	921.57

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

a. During the period of five years immediately preceding the reporting date, the Company has issued:

- (i) 1,94,900 (Previous Year 321,030) Equity shares of ₹ 2/- each fully paid-up to the employees under employee stock option ('ESOP') schemes.
- (ii) 1,662,811 (Previous Year 1,662,811) Equity shares of ₹ 2/- each fully paid-up against Global Depository Receipts ('GDR') issued by the Company.

b. Rights, preferences and restrictions attached to equity shares:

The Company has only one class of shares referred to as equity shares having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend recommended by the Board of Directors is subject to the approval of the shareholders at the ensuing annual general meeting, except in the case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in the proportion of equity shares held.

c. Details of equity shares held by each shareholder holding more than 5% equity shares in the Company:

	As at 31.03.2013		As at 31.03.2012	
	Number of Equity Shares held	% Holding	Number of Equity Shares held	% Holding
La-fin Financial Services Private Limited	12,329,968	26.76	12,329,968	26.76
Jignesh P. Shah	8,329,585	18.08	8,329,585	18.08
Ravi K. Sheth	2,489,762	5.40	2,489,762	5.40
Blackstone GPV Capital Partners Mauritius VI FII Ltd.	3,235,703	7.02	-	-
Reliance Capital Trustee Company Limited*	2,268,275	4.92	2,643,339	5.74
Elliot & Page Limited*	-	-	2,619,632	5.69

*Includes shares held under different sub-accounts/schemes.

d. For particulars of options on unissued capital under employee stock option schemes, Refer Note 34.

	(₹ lacs)	
4. RESERVES AND SURPLUS	As at 31.03.2013	As at 31.03.2012
Capital reserve		
Balance as per last Balance Sheet	147.59	147.59
Capital reserve on consolidation		
Balance as per last balance sheet	1,150.77	1,150.77
Securities Premium Account		
Balance as per last Balance Sheet	41,746.61	45,824.64
Less: Premium on redemption of Zero Coupon Convertible Bonds (ZCCB) [net of tax of ₹ Nil (Previous Year ₹ 1,959.03 lacs)]	-	(4,078.03)
	41,746.61	41,746.61
General reserve		
Balance as per last Balance Sheet	37,581.85	32,321.85
Add: Transferred from Statement of Profit and Loss	3,253.00	5,260.00
	40,834.85	37,581.85
Foreign currency translation reserve		
Balance as per last Balance Sheet	330.04	1,108.42
(Less)/Add: Effect of foreign exchange rate variation during the year	(3,870.13)	(778.38)
	(3,540.09)	330.04
Statutory reserve		
Balance as per last Balance Sheet	18.65	11.67
Add: Transferred from Statement of Profit and Loss	8.24	6.98
	26.89	18.65
Security Guarantee Fund		
Balance as per last Balance Sheet	-	-
Add: amount transferred from surplus balance in the statement of profit and loss (Refer Note 37(a))	84.66	-
	84.66	-

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

(₹ lacs)

	As at 31.03.2013	As at 31.03.2012
Foreign currency monetary item translation difference account (FCMITDA)		
Balance as per last Balance Sheet	(4,224.67)	-
Add: Effect of foreign exchange rate variation during the year	(3,556.08)	(9,863.35)
Less: Amortisation during year	1,977.02	5,638.68
	(5,803.73)	(4,224.67)
Surplus in Statement of Profit and Loss		
Balance as per last Balance Sheet	90,900.50	74,046.53
Profit for the year	22,743.89	26,405.24
Less: Appropriations		
Interim Dividend [₹ 6/- per share (Previous Year ₹ 6/- per share)]	2,764.71	2,764.71
Final Dividend (Proposed) [₹ 2/- per share (Previous Year ₹ 2/- per share)]	921.57	921.57
Tax on Dividend by parent company	605.13	598.01
Tax on Dividend by subsidiary company	11.79	-
Transfer to General reserve	3,253.00	5,260.00
Transfer to Statutory reserve	8.24	6.98
Transfer to Security Guarantee Fund (Refer Note 37(a))	84.66	-
Total Appropriations	7,649.10	9,551.27
Net surplus in Statement of Profit and Loss	105,995.29	90,900.50
TOTAL	180,642.84	167,651.35
5. LONG-TERM BORROWINGS		
Secured borrowings		
Indian rupee term loan from banks [Refer Note (a) below]	919.11	534.74
Unsecured term loans from banks		
External commercial borrowings in foreign currency [Refer Note (b) below]	59,828.23	56,272.15
Foreign currency term loan [Refer Note (c) below]	62,547.70	58,829.98
Unsecured term loans		
From other parties [Refer Note (d) below]	-	99.65
TOTAL	123,295.04	115,736.52

(a) A group Company viz. NBHC, has taken a secured Indian rupee loan from bank, during the financial year 2011-2012 which carries fixed interest @ 10.25% p.a. The principal amount of loan is payable in 84 equal monthly installments of ₹ 7.11 lacs each [w.e.f 30th April, 2012]. Interest is to be serviced separately as and when applied. In case of term loan in lieu of subsidy: Bullet payment to be made on the date coinciding with date of final instalment for original term loan. The loan is secured Primarily; exclusive first charge on all the assets including land, building and other assets, created out of the term loan. Collateral: extension of charge on the assets of NBHC created out of other term loans. Installments falling due in respect of this loan upto 31st March, 2014 have been group under "current maturities of secured long-term borrowings" (Refer Note 11). [During the year, NBHC has taken an additional Indian rupee loan from bank on 31st October, 2012 and carries interest @ 10.25% p.a. fixed for the tenor of loan. The principal amount of loan is payable in 78 equal monthly installments of ₹ 5.65 lacs w.e.f. 31st January, 2013.]

(b) During the previous year, the Parent Company had availed three foreign currency term loans viz. external commercial borrowings aggregating USD 110 million. Loans of USD 35 million and USD 50 million are repayable in three annual installments (first two installments of 33.33% each and last installment of 33.34%) starting from April 2015 and June 2015 respectively. These loans carry interest at the rate of applicable quarterly LIBOR plus margin of 3.5% p.a. Balance loan of USD 25 million availed, is repayable in nine semi-annual installments (first eight installments of 11% each and last installment of 12%) starting from December 2014. This loan carries interest at the rate of applicable quarterly LIBOR plus margin of 5% p.a.

(c) During the previous year, a group Company viz. FTGIPL, had availed foreign currency term loan of USD 115 million. This loan carries interest at the rate of applicable quarterly LIBOR plus margin of 3.2% p.a. The bank interests are payable on a quarterly basis in arrears while the capital repayment will be effected in three installments (first two installments of 33.33% each and last installment of 33.34%) on April 2015, October 2015 and June 2016 respectively.

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

- (d) A group Company viz. ICX, had availed a loan which was unsecured, interest free and had no fixed terms of repayment. The loan was subordinated in favour of all other creditors and other shareholder's claims and was only repayable once certain conditions in the settlement agreement are met.

(₹ lacs)

6. DEFERRED TAX LIABILITIES (NET)	As at 31.03.2013	As at 31.03.2012
(a) Deferred tax liability		
Depreciation	2,894.94	2,093.18
Unamortised ancillary borrowing costs	464.11	576.71
	3,359.05	2,669.89
(b) Deferred tax asset		
Provision for doubtful trade receivables, advances etc.	382.25	252.68
Provision for compensated absences and gratuity	289.65	323.00
Tax effect on withholding Tax on ZCCB Premium adjusted against securities premium account to be claimed in tax	-	275.11
	671.90	850.79
Net deferred tax liability	TOTAL 2,687.15	1,819.10
7. OTHER LONG-TERM LIABILITIES		
Income received in advance/unearned revenue	245.40	41.09
Members liabilities	682.49	573.69
Deposits from settlement bank	50.00	-
Other Advances	29.18	-
	TOTAL 1,007.07	614.78
8. LONG-TERM PROVISIONS		
Provision for employee benefits		
Compensated absences	725.01	683.73
Others	95.98	55.67
	820.99	739.40
Other provisions		
Provision for estimated loss on interest rate swap contracts	1,599.86	950.99
	TOTAL 2,420.85	1,690.39
9. SHORT-TERM BORROWINGS		
Secured borrowings		
Short term loans from banks	18,447.01	7,807.92
Cash credit from banks	4,468.31	1,057.96
	TOTAL 22,915.32	8,865.88
<p>A group Company viz. NSEL, has taken short term buyers Credit from a bank which carries interest at 1.14% for a tenure of 90 days. Short term loans and cash credit from a bank is secured against Fixed Deposits with banks and stocks. Warehouse receipt loan from a bank has been obtained against pledge of warehouse receipts of agri-stock and produce.</p> <p>A group Company viz. NBHC, has taken short term buyers credit and cash credit facilities also short term loan from various banks which carries interest rate between 9.50% - 11.25%, these loans are for the tenor between 60-270 days. Short term loans and cash credit facilities are secured by-Pari-passu charge on the current assets of NBHC.</p>		
10. TRADE PAYABLES		
Other than acceptances	11,494.04	6,194.50
	TOTAL 11,494.04	6,194.50

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

(₹ lacs)

11. OTHER CURRENT LIABILITIES	As at 31.03.2013	As at 31.03.2012
Current maturities of secured long-term borrowings [Refer Note 5(a)]	153.27	85.43
Interest accrued but not due on borrowings	368.50	314.74
Income received in advance/unearned revenue	7,567.41	3,752.55
Unclaimed dividend*	78.09	71.06
Other payables		
Statutory remittances	1,605.78	821.96
Payables on purchase of fixed assets	94.07	433.52
Payable to employees and Contractual obligations	3,369.89	1,577.87
Members liabilities	87,359.56	46,948.48
Settlement guarantee fund [Refer Note 37(a)]	-	64.66
Security deposits	2,834.73	606.73
Advances from customers	14,611.47	4,064.95
Others	238.60	277.00
TOTAL	118,281.37	59,018.95
*No amount due and outstanding to be credited to Investor Education and Protection Fund		
12. SHORT-TERM PROVISIONS		
Provision for employee benefits		
Compensated absences	596.11	722.39
Gratuity (Refer Note 49)	345.06	235.58
	941.17	957.97
Other provisions		
For taxation (net of advance tax there against)	1,369.29	285.49
Proposed dividend (including tax)	1,078.19	1,071.07
TOTAL	3,388.65	2,314.53

13. FIXED ASSETS

(₹ lacs)

Particulars	GROSS BLOCK					DEPRECIATION / AMORTISATION					NET BLOCK		
	Cost as at 01.04.2012	Additions during the year	Effect of Foreign currency differences [Refer Note 2 M (i)]	Other Adjustments [Refer footnote (ii)]	Deletion/ Adjustments	Cost as at 31.03.2013	Up to 31.03.2012	For the Year	Other Adjustments [Refer footnote (iii)]	Deletions/ Adjustments	Up to 31.03.2013	As at 31.03.2013	As at 31.03.2012
(A) Tangible assets													
Freehold Land	5,202.05 (5,202.05)	-	-	-	-	5,202.05 (5,202.05)	-	-	-	-	-	5,202.05 (5,202.05)	5,202.05 (5,202.05)
Leasehold Land	816.98 (686.75)	336.06 (-)	-	-	816.98 (-)	336.06 (816.98)	44.75 (36.54)	9.01 (8.21)	-	50.46 (-)	3.30 (44.75)	332.76 (772.23)	772.23 (650.21)
Buildings*	30,315.19 (25,678.08)	333.84 (1,967.08)	(130.23)	-	-	30,649.03 (30,315.19)	649.72 (204.47)	496.29 (445.25)	-	-	1,146.01 (649.72)	29,503.02 (29,665.47)	29,665.47 (25,473.61)
Improvement to Leasehold Premises	1,445.05 (1,117.37)	56.81 (262.65)	-	53.83 (78.04)	415.65 (13.01)	1,140.04 (1,445.05)	983.47 (700.63)	228.54 (225.84)	51.33 (69.00)	395.00 (12.00)	868.34 (983.47)	271.70 (461.58)	461.58 (416.74)
Computer Hardware**	2,976.85 (3,144.16)	3,276.90 (60.99)	-	115.00 (238.48)	267.33 (466.78)	6,101.42 (2,976.85)	1,821.22 (1,225.41)	810.15 (622.41)	75.00 (123.92)	155.39 (150.52)	2,550.98 (1,821.22)	3,550.44 (1,155.63)	1,155.63 (1,918.75)
Equipment [Refer footnote (i)]	8,715.95 (6,081.92)	891.34 (2,677.80)	-	83.20 (155.75)	162.70 (199.52)	9,527.79 (8,715.95)	2,061.43 (1,383.18)*	624.97 (713.83)	32.64 (68.42)	26.51 (104.00)	2,692.53 (2,061.43)	6,835.26 (6,654.52)	6,654.52 (4,698.74)
Furniture and Fixtures	5,781.13 (4,333.79)	145.16 (1,459.30)	-	52.61 (114.34)	40.48 (126.30)	5,938.42 (5,781.13)	782.04 (428.51)*	489.38 (414.60)	25.59 (51.91)	12.74 (112.98)	1,284.27 (782.04)	4,654.15 (4,999.09)	4,999.09 (3,905.28)
Vehicles	673.33 (522.56)	245.38 (208.17)	-	1.88 (2.85)	85.33 (60.25)	835.26 (673.33)	159.58 (114.77)	67.94 (60.97)	0.74 (0.99)	35.54 (17.15)	192.72 (159.58)	642.54 (513.75)	513.75 (407.79)
Previous Year	55,926.53 (46,766.68)	5,285.49 (6,635.99)	(2,800.26)	306.52 (589.46)	1,788.47 (856.86)	59,730.07 (55,926.53)	6,502.21 (4,093.51)	2,726.28 (2,491.11)	185.30 (314.24)	675.64 (396.65)	8,738.15 (6,502.21)	50,991.92 (49,424.32)	49,424.32 -
(B) Intangible assets (other than internally generated)													
Trade Mark	31.90 (30.80)	0.63 (1.15)	-	-	-	32.53 (31.90)	13.88 (10.78)	3.18 (3.11)	-	-	17.06 (13.88)	15.47 (18.02)	18.02 (20.02)
Technical Know-how	14.33 (14.33)	-	-	-	-	14.33 (14.33)	9.59 (9.59)	-	-	-	9.59 (9.59)	4.74 (4.74)	4.74 (4.74)
Computer Software	3,036.96 (2,733.91)	165.15 (166.51)	-	118.94 (145.91)	322.44 (9.37)	2,998.61 (3,036.96)	2,220.80 (1,567.78)	408.30 (549.77)	-154.54 (107.73)	67.47 (4.48)	2,716.17 (2,220.80)	282.44 (816.16)	816.16 (1,166.13)
Previous Year	3,083.19 (2,779.04)	165.78 (167.66)	(-)	118.94 (145.91)	322.44 (9.42)	3,045.47 (3,083.19)	2,244.27 (1,588.15)	411.48 (552.88)	-154.54 (107.73)	67.47 (4.49)	2,742.82 (2,244.27)	302.65 (838.92)	838.92 -
TOTAL												51,294.57	50,263.24

*In Previous Year, opening provision of ₹ 104.61 lacs, was adjusted against loss on disposal/write off of fixed assets (net).

**Building includes ₹ 843.18 lacs (Previous Year ₹ 843.18 lacs) on long term lease of 95 years.

**Includes impairment of fixed assets ₹ 47.28 lacs [Previous Year Nil].

Notes:

(i) Equipment includes "office equipment, networking equipment, fumigation and laboratory equipment".

(ii) Other Adjustments" are adjustments on account of exchange rate fluctuations on translation of Foreign subsidiaries' and joint venture's fixed assets into Rupees increase of non-integral operations as per AS 11.

(iii) Previous year figures are given in brackets.

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

(₹ lacs)

14. NON - CURRENT INVESTMENTS	As at 31.03.2013	As at 31.03.2012
Long-term Investments (fully paid up, valued at cost)		
A) In equity shares of associate companies (Refer Note 40)		
Quoted	30,309.04	28,076.49
Unquoted	4,788.60	4,132.73
	35,097.64	32,209.22
B) In equity shares of other Companies		
Quoted	1.42	1.42
Unquoted	1,469.91	1,782.06
	1,471.33	1,783.48
C) In warrants (Unquoted) [Refer Note 39 (b)]		
	5,624.60	5,624.60
D) In Government and Trust Securities (Unquoted)		
[Includes ₹ 5.91 lacs (Previous Year ₹ 4.95 lacs) pledged with APMC and sales tax authority]	102.91	101.95
E) In Debentures and Bonds:		
Quoted	6,000.00	2,005.20
Unquoted	1,500.00	1,500.00
	7,500.00	3,505.20
F) In units of mutual funds (Unquoted)		
	9,842.74	9,001.51
TOTAL	59,639.22	52,225.96
Aggregate amount of quoted investments	36,310.46	30,083.11
Aggregate market value of quoted investments	116,531.82	170,371.91
Aggregate amount of unquoted investments	23,328.76	22,142.85
15. LONG-TERM LOANS AND ADVANCES		
Unsecured, considered good		
Capital advances	4,223.45	1,524.38
Security deposits	319.64	422.45
Loans and advances to employees	325.81	656.10
Loans related to NBFC activities	2,347.01	2,278.91
Prepaid expenses	402.68	140.35
Balances with government authorities	56.58	35.43
Advances for supply of goods and services	21.76	64.83
Taxes paid less provision there against including fringe benefit tax (other than deferred tax)	6,831.38	12,807.71
MAT credit entitlement	8,228.31	8,976.50
TOTAL	22,756.62	26,906.66
16. OTHER NON-CURRENT ASSETS		
Unamortised ancillary borrowing costs	1,650.45	2,901.38
Interest accrued on bank deposits	29.35	38.80
Interest accrued on investments	0.67	0.64
Deposits with banks [Includes ₹ 35.81 lacs under lien with banks against bank guarantees (Previous year ₹ 0.98 lacs)]	554.01	591.35
TOTAL	2,234.48	3,532.17

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

(₹ lacs)

17. CURRENT INVESTMENTS	As at 31.03.2013	As at 31.03.2012
A) Current portion of long-term investments (at cost):		
In Debentures and Bonds (Unquoted)	2,455.20	450.05
In units of mutual funds (Unquoted)	40,663.10	10,497.27
Total current portion of long - term investments (A)	43,118.30	10,947.32
B) Other current investments (fully paid up, valued at lower of cost and fair value)		
In equity shares of associate companies (Refer Note 40 and 52)		
Unquoted	1,405.46	-
In equity shares of other Companies		
Quoted	87.60	58.44
Unquoted	3,049.74	2,678.55
	3,137.34	2,736.99
In Government Securities (Unquoted) (pledged with APMC)	0.75	0.25
In units of mutual funds (Unquoted)	89,350.68	97,939.65
Total other current investments (B)	93,894.23	100,676.89
TOTAL	137,012.53	111,624.21
Aggregate amount of quoted investments	87.60	58.44
Aggregate market value of quoted investments	117.07	59.23
Aggregate amount of unquoted investments	136,924.93	111,565.77
Aggregate provision for diminution (write down) in the value of other current investments	92.84	123.56
18. INVENTORIES		
(Valued at lower of cost and net realisable value)		
Packing materials	-	13.79
Stores and spares	271.54	361.38
Finished goods - traded goods	11.81	16.82
Finished goods - procurement services	37,737.94	18,098.06
TOTAL	38,021.29	18,490.05
19. TRADE RECEIVABLES		
Unsecured, considered good unless stated otherwise		
(a) Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
(i) Considered good	3,988.83	1,540.66
(ii) Considered doubtful	1,622.47	1,259.23
(b) Other trade receivables		
(i) Considered good	38,110.67	5,705.51
(ii) Considered doubtful	-	1.18
	43,721.97	8,506.58
Less: Provision for doubtful receivables	(1,622.47)	(1,260.41)
TOTAL	42,099.50	7,246.17
20. Cash and cash equivalents		
Balances that meet the definition of Cash and Cash equivalents as per AS 3 - Cash Flow Statements		
Cash on hand	1.64	6.64
Cheques on hand	199.66	245.31
Balances with banks		
In current accounts	17,414.79	16,676.27
In EEFC accounts	56.51	21,762.29
In deposit accounts with original maturity of less than 3 months	544.21	2,418.06

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

	As at 31.03.2013	As at 31.03.2012
	(₹ lacs)	
In earmarked accounts		
In current accounts	33.99	29.04
In deposit accounts with original maturity of less than 3 months [Includes ₹ 8,368.75 lacs (Previous Year: Nil) under lien with bank against bank guarantees and cash credit facilities]	10,025.65	9,775.93
	28,276.45	50,913.54
Other Bank Balances		
In deposit accounts with original maturity of more than 12 months [Includes ₹ 197.55 lacs (Previous Year: ₹ 4.00 lacs) under lien with bank against bank guarantees and cash credit facilities]	4,044.51	51.09
In deposit accounts with original maturity of more than 3 months but less than 12 months [Includes ₹ 15,518.97 lacs (Previous Year: ₹ 1,299.75 lacs) under lien with bank against bank guarantees and cash credit facilities]	30,845.23	14,759.65
Deposits from members relating to Settlement Guarantee Fund (Refer Note 37)	1,051.40	1,024.43
In earmarked accounts		
Unpaid dividend accounts	78.09	71.06
	36,019.23	15,906.23
	64,295.68	66,819.77
21. SHORT-TERM LOANS AND ADVANCES		
Unsecured, considered good unless stated otherwise		
Security deposits		
Considered good	1,103.76	1,182.21
Considered doubtful	15.25	1.61
Less: Provision for doubtful deposits	(15.25)	(1.61)
	1,103.76	1,182.21
Loans and advances to employees		
Considered good	103.84	208.33
Considered doubtful	19.22	4.54
Less: Provision for doubtful loans and advances	(19.22)	(4.54)
	103.84	208.33
Loans related to NBFC activities	1,085.33	944.81
Prepaid expenses	454.33	1,338.66
Balances with government authorities	1,182.61	1,556.87
Taxes paid less provision there against including fringe benefit tax (other than deferred tax)	1,760.04	1,516.86
MAT credit entitlement	83.02	98.20
Advances for supply of goods and services		
Considered good	5,790.92	3,374.06
Considered doubtful	-	434.24
Less: Provision for doubtful advances	-	(434.24)
	5,790.92	3,374.06
	11,563.85	10,220.00
22. OTHER CURRENT ASSETS		
Unbilled revenue	693.33	306.07
Unamortised ancillary borrowing costs	1,366.69	1,325.92
Interest accrued on bank deposits	877.07	275.71
Interest accrued on investments	290.68	168.78
Interest receivable on income-tax refund	0.39	199.25
Receivable on cancellation of forward exchange contracts	-	610.25
Contractually reimbursable expenses (Refer Note 35)		
Considered good	33,610.99	14,476.76
Considered doubtful	850.41	404.82
Less: Provision for doubtful loans and advances	(850.41)	(404.82)
	33,610.99	14,476.76
Rent receivable	134.36	-
Other receivables	1,391.65	-
	38,365.16	17,362.74

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

(₹ lacs)

23. REVENUE FROM OPERATIONS	Year Ended 31.03.2013	Year Ended 31.03.2012
Income from software products (IPR based license)	6,410.95	8,088.45
Income from software services (Project based)	27,328.35	16,382.77
Storage and allied services	13,085.60	10,810.25
Income from procurement services (Refer Note 36)	1,859.45	851.94
Membership admission fees	847.07	1,977.98
Annual subscription fees	199.50	121.98
Delivery fees	106.31	1,054.61
Transaction fees	3,614.56	2,626.02
Service charges [Refer Note 2(K)(h)]	20,485.86	6,518.69
Sale of traded goods		
Computer hardware	59.32	284.39
Computer software	32.37	81.77
	91.69	366.16
Other operating revenues		
Business support services	509.17	542.70
Income relating to NBFC activities	338.38	261.93
Others	316.12	519.89
TOTAL	75,193.01	50,123.37
24. OTHER INCOME		
Interest income on		
On bank deposits	2,208.88	1,576.98
On long-term investments	458.02	320.49
On income-tax refund	646.02	202.28
Others	4,045.44	83.63
	7,358.36	2,183.38
Dividend income from		
Long-term investments	4.36	6.64
Current investments	4,894.73	4,707.40
	4,899.09	4,714.04
Profit on sale of investments (net)		
Long-term investments	53.51	1,653.31
In associates (Refer Note 33)	-	19,660.61
Current investments	4,719.32	275.60
	4,772.83	21,589.52
Profit from derivatives on commodity futures/hedging (net)	-	96.70
Reversal of write down in value of current investments (net)	35.44	12.64
Provision for expenses no longer required written back	377.28	-
Profit on sale of fixed assets	422.02	-
Rental income from operating leases (Refer Note 32 b)	891.83	860.29
Exchange rate fluctuations (net)	-	3,266.05
Miscellaneous Income	1,649.43	584.04
TOTAL	20,406.28	33,306.66
25. PURCHASES OF STOCK-IN-TRADE		
Computer hardware	39.24	251.80
Computer software	17.41	38.68
TOTAL	56.65	290.48
26. CHANGES IN INVENTORY OF STOCK-IN-TRADE		
Inventories at the beginning of the year-traded goods	16.82	11.33
Inventories at the end of the year-traded goods	11.81	16.82
TOTAL	5.01	(5.49)

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

(₹ lacs)

27. EMPLOYEE BENEFITS EXPENSE	Year Ended 31.03.2013	Year Ended 31.03.2012
Salaries and wages	23,373.22	23,020.60
Contribution to provident fund and other funds (Refer Note 49)	1,070.95	1,109.86
Staff welfare expenses	564.35	556.55
TOTAL	25,008.52	24,687.01
28. FINANCE COSTS		
Interest expense on:		
Borrowings	7,574.20	4,559.48
Delayed payment of tax	35.81	0.46
Other borrowing costs:		
Provision for estimated loss on interest rate swap contracts	648.87	950.99
Amortisation of ancillary borrowing costs	1,437.84	1,180.66
Others	103.11	26.18
TOTAL	9,799.83	6,717.77
29. DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation of tangible assets	2,726.28	2,491.11
Amortisation of intangible assets	411.48	552.88
Amortisation of consumables	130.39	120.05
TOTAL	3,268.15	3,164.04
30. OTHER EXPENSES		
Electricity	638.33	564.13
Rent [Refer Note 32(a)]	6,957.70	6,588.62
Repairs and maintenance-buildings	41.16	18.60
Repairs and maintenance-others	455.91	356.09
Insurance	389.80	292.48
Rates and taxes, excluding taxes on income	340.44	260.49
Travelling and conveyance	939.63	877.60
Communication expenses	997.09	1,078.97
Legal and professional charges (Refer Note 47)	2,209.57	2,236.40
Software development expenses and license fees	1,175.93	819.52
Stores, spares, consumables and packing materials	659.35	612.76
Advertisement and Business promotion/development expenses	3,374.13	3,190.22
Office expenses	454.94	399.84
Brokerage and commission charges	333.18	173.28
Loss on disposal/write off of fixed assets (net)	27.84	375.35
Less: Provision for impairment held	-	(104.61)
	27.84	270.74
Impairment of fixed assets	47.28	-
Data feed expenses	1,122.87	804.62
Security charges	570.97	614.66
Bad trade receivables/advances written off	809.79	446.80
Less: Provision held	(51.72)	(63.89)
	758.07	382.91
Provision for doubtful trade receivables/advances	1,343.44	747.47
Labour charges	1,113.19	746.07
Software support charges	912.81	805.21
Exchange rate fluctuations (net)	615.84	-
Donation	856.00	966.25
Miscellaneous expenses	4,194.76	3,260.10
TOTAL	30,530.23	26,067.03

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

(₹ lacs)

31. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR):	Current Year	Previous Year
1 Contingent liabilities:		
(a) Claims not acknowledged as debt		
(i) Income tax demands against which the Group is in appeal [(including adjustable against Securities Premium account ₹ 3,869.18 lacs (Previous Year ₹ 1,941.03 lacs)]	5,352.61	2,707.87
(ii) MVAT, Service tax and excise dues contested by the Parent Company.	551.56	515.17
(iii) Others	*568.00	345.96
(b) Corporate guarantees given by subsidiaries	**4,463.28	1,202.60
(c) Share of contingent liabilities of associates:		
(i) Claims not acknowledged as debts	10.47	21.74
(ii) Income tax demands against which the associate is in appeal including interest thereon	78.89	44.07
(iii) Corporate guarantees given	94.90	295.84
Future cash outflows in respect of the above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.		
2 Capital and other commitments:		
(i) Estimated amount of contracts to be executed on capital account and not provided for (net of advances)	12,150.49	402.31
(ii) For commitments relating to lease arrangements, see Note 32(a) and for derivative contracts, see Note 45(a).		

*In a Group Company viz, NBHC has lodged eight insurance claims for ₹ 383.00 lacs under its fidelity, burglary and STFI policies. In all these cases NBHC has taken necessary steps and believes that the claims are fully covered under the said policies. Six cases have been filed against NBHC for claim of ₹ 185.00 lacs. In all these cases, NBHC has sufficient legal recourse to safeguard its interest.

**In a Group Company viz, NSEL has placed Fixed Deposits Receipts in the form of collateral for third party and the amount above is to the extent, not covered by the securities available with NSEL. The Company viz NSEL, has acted as a collateral provider for ₹ 5,444.16 lacs in case of third party against which it has received a sum of ₹ 2,228.00 lacs as margin/security and the balance amount is considered as contingent liability.

32. OPERATING LEASES

- (a) The Group has entered into various cancellable and non cancellable operating lease agreements as a lessee for various premises having lease term ranging from 12 months to 60 months. The lease rentals recognised as an expense in the statement of profit and loss during the year are included in note 30 under the head rent. The future minimum lease payments under non-cancellable operating lease are as follows:

(₹ lacs)

Particulars	Current Year	Previous Year
Lease Expenditure		
Lease rentals (Refer Note 30 'Rent')	2,278.50	2,338.34
Obligations on non-cancellable leases		
Not later than one year	1,590.64	2,183.88
Later than one year and not later than five years	1,756.11	2,237.81
Later than five years	112.46	170.83
Sublease Income (included in Note 23 'Storage and allied services')	4.58	6.31
Total Receivables on non-cancellable subleases	-	-

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

- (b) The Group has entered into operating lease agreements as a lessor for various premises having average lease term ranging from 22 months to 36 months. The lease rentals recognised as income in the statement of profit and loss during the year are included in note 24 under the head rental income from operating leases. The future minimum lease payments under non-cancellable operating lease are as follows:

Particulars	Current Year	Previous Year
Lease Income		
Lease rentals (Refer Note 24 'Rental income from operating leases')	891.83	860.29
Receivables on non-cancellable leases		
Not later than one year	621.75	887.00
Later than one year and not later than five years	178.38	876.17
Later than five years	-	-
Fixed Assets		
Gross Carrying amount of leased assets	11,924.57	11,924.57
Accumulated depreciation	470.84	276.47
Depreciation recognised	194.37	194.37

33. The Parent Company, as a part of its core business strategy, promotes and invests in new ventures that utilise its technological capabilities and domain expertise towards creating world class enterprises. The investment in each such venture is assessed for its risks and is limited to a pre-determined level and will generate returns after the ventures start ramping-up operations in varied time frame depending upon the line of business. The Parent Company, as part of its non-linear business model, will endeavour to unlock value by broadening the investor base of its ventures.

During the previous year, in terms of the compliance of FMC Equity Structure Guidelines dated July 29, 2009, the Company offered under "offer for sale", in initial public offer of equity by Multi Commodity Exchange of India Limited (MCX), an associate company, part of its investments aggregating 2,643,916 equity shares of ₹ 10/- each of MCX at a price of ₹ 1,032 per equity share of ₹ 10/- each. The resultant profit of ₹ 19,660.61 lacs (net of directly attributable expenses of ₹ 2,091.58 lacs) is grouped under 'Profit on sale of investments' in Other income (Refer Note 24). Subsequent to disinvestments, the Parent Company is holding 26% in the equity share capital of MCX.

34. STOCK BASED COMPENSATION:

- (a) During the financial year 2011-12, Remuneration and Compensation Committee ("Committee") of the Parent Company had granted 900,000 Stock Options ("Options") each under the Employee Stock Option Scheme – 2009 and 2010 totaling to 1,800,000 options at a price of ₹ 770/- to the eligible employees/Directors of the parent Company ("Employees") in terms of SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended from time to time and as approved by the Shareholders at the Annual General Meetings of the Parent Company held on 25th September 2009 and 29th September 2010 respectively.

During the year under review, Remuneration and Compensation Committee ("Committee") of the Parent Company at their meeting held on 5th March, 2013 has considered and approved the total grant of 186,630 Stock Options ("Options") under the Employee Stock Option Schemes ("scheme") of which 74,350 options are granted under scheme-2009 and 112,280 options under scheme-2010 at a price of ₹ 807.70 to the eligible employees/Directors of the Parent company ("Employees") in terms of SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended from time to time.

Details of the Option granted under stock option plan are as under:

Schemes	Grant Date	No. of Options Granted	Exercise Price in ₹	Vesting Period
ESOP 2009	March 14, 2012	900,000	770.00	14.03.2012 - 13.03.2013
			770.00	14.03.2012 - 13.03.2014
			770.00	14.03.2012 - 13.03.2015
ESOP 2010	March 14, 2012	900,000	770.00	14.03.2012 - 13.03.2013
			770.00	14.03.2012 - 13.03.2014
			770.00	14.03.2012 - 13.03.2015
ESOP 2009 (reissue of lapsed / cancelled options)	March 05, 2013	74,350	807.70	05.03.2013 - 04.03.2014
			807.70	05.03.2013 - 04.03.2015
			807.70	05.03.2013 - 04.03.2016
ESOP 2010 (reissue of lapsed / cancelled options)	March 05, 2013	112,280	807.70	05.03.2013 - 04.03.2014
			807.70	05.03.2013 - 04.03.2015
			807.70	05.03.2013 - 04.03.2016

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

Each option entitles the holder to exercise the right to apply for and seek allotment of one equity share of ₹ 2/- each. The Intrinsic value of each option is nil, since the options were granted at the market price of the equity shares on the date of grant. The options shall vest in three installments of 20%, 30% and 50% at the end of 1st year, 2nd year and 3rd year respectively from the date of the grant and can be exercised within three months from vesting of options or as may be determined by the Remuneration & Compensation Committee. The tenure of the Schemes is for maximum period of five years from the date of grant of options.

The particulars of the options granted, lapsed and cancelled under aforementioned scheme are as follows:

Particulars	ESOP 2009 (Nos.)	ESOP 2010 (Nos.)
Options outstanding as at the beginning of the year	900,000	900,000
	(-)	(-)
Options granted during the year	74,350	1,12,280
	(900,000)	(900,000)
Options exercised during the year	-	-
	(-)	(-)
Options lapsed / forfeited / cancelled during the year	81,850	131,325
	(-)	(-)
Options outstanding as at the year-end	892,500	880,955
	(900,000)	(900,000)
Options exercisable as at the year-end	163,630	153,735
	(-)	(-)

- (b) The Group has followed the intrinsic value-based method of accounting for stock option. Had the compensation cost of the Parent Company's 'stock based compensation plans been determined using the fair value approach, the Group's net profit for the year would have been lower by ₹ 2,006.40 lacs (Previous Year lower by ₹ 114.22 lacs) and earnings per share would have been lower as indicated below:

Particulars	Current Year	Previous Year
Net profit for the year (₹ lacs)	22,743.89	26,405.24
Less: Adjustment for stock options of associate company	243.35	-
Net profit for the year for Diluted EPS (₹ lacs)	22,500.54	26,405.24
Net profit for the year (₹ lacs)	22,743.89	26,405.24
Less: Total stock-based employee compensation expense determined under fair value based method	2,006.40	114.22
Adjusted net profit for basic & diluted EPS	20,494.14	26,291.02
Weighted average no. of shares : Basic	46,078,537	46,078,537
: Diluted	46,470,444	46,078,537
Basic and diluted earnings per share (face value ₹ 2 /- per share)		
- As reported (in ₹) : Basic	49.36	57.30
: Diluted	48.42	57.30
- As adjusted (in ₹) : Basic	44.48	57.06
: Diluted	44.10	57.06

The weighted average fair value of each option on the date of grant/reissue is ₹ 249.05 / ₹ 238.67 under ESOP Scheme - 2009 and 2010 using the Black-Scholes Option Pricing Formula, considering the following parameters:

Particulars	PARENT COMPANY ESOP 2009 & ESOP 2010	
	Options granted during F.Y. 2011-12	Options granted during F.Y. 2012-13
(i) Expected volatility	42.18% to 45.94%	38.57% to 39.27%
(ii) Option life	1.13 years - 3.13 years	1.13 years - 3.13 years
(iii) Dividend yield	0.68%	0.74%
(iv) Risk-free interest rate	8.13% to 8.18%	7.80% to 7.83%
(v) To allow for the effects of early exercise, it is assumed that the employees would exercise the options after vesting date.		
(vi) Expected volatility is based on the historical volatility of the share prices over the period that is commensurate with the expected term of the option.		

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

- 35.** In a Group Company viz. NSEL, has entered into an agreement with National Agricultural Co-operative Marketing Federation of India Limited (NAFED) to carry out the procurement and processing of cotton activity on their behalf as an agent. All the expenses related to procurement and processing i.e. ginning, pressing, loading, unloading, transportation, interest on borrowed funds etc. incurred for the procurement and processing of cotton activity, on behalf of the NAFED, will be reimbursed by NAFED to the company. Amount receivable from NAFED amounted to ₹ 70,273.92 lacs towards payment to the farmers as per procurement agreement and ₹ 5,333.27 lacs towards reimbursement of expenses incurred for ginning and pressing, labour charges etc. Out of this an amount of ₹ 47,886.40 lacs has been received and the balance ₹ 27,720.79 lacs is included under "Other current Assets" as receivable from NAFED. The procurement and processing of cotton activity carried out by the company, is not in the nature of, trading and manufacturing activity. The risk and rewards to the company are operational, executional and for the procurement services.
- In a Group Company viz. NSEL, Other current assets include an amount of ₹ 850.41 lacs recoverable from NAFED in connection with agreement dated December 30, 2008 entered into with NAFED by NSEL. Vide letter dated April 20, 2012 NAFED has agreed for the payment of this amount. However, out of this amount, an amount of ₹ 404.82 lacs has been agreed for payment by NAFED subject to the examination and approval of Department of Agricultural and Cooperative Ministry of Agriculture. Following the prudent accounting policy, a sum of ₹ 404.82 lacs was provided for in the books of accounts in financial year 2011-2012 and balance of ₹ 445.59 lacs has been provided for in the books of accounts in the current financial year, thereby providing for the whole of the amount recoverable from NAFED.
- 36.** The Group Companies viz. NBHC and NSEL carry out the activities of procurement and/or processing of commodities on behalf of principals. The activity yields a guaranteed price on delivery of these procured/processed commodities. Hence, the companies do not have to carry price fluctuation risk related to market activity and therefore the procurement activity carried out is not in the nature of trading activity and the processing activity outsourced by the companies to the processors is also not the manufacturing activity of the said companies. The procurement activity carried out is by the companies own/borrowed funds. The risk and rewards to the companies are operational, executional and incidental to the activities of procurement.
- 37.** (a) In a Group Company viz. NSEL, various State Agriculture Produce Market Committee's (APMC's) while issuing license for establishing E-market / Private market / spot exchange, had laid down to maintain a Settlement Guarantee Fund (SGF) to meet exchange obligations but have not given any guidelines for the constitution of the SGF. In view of such a requirement an amount of ₹ 64.66 lacs had been apportioned out of initial margins of the members to SGF A/C and shown under other current liabilities (Refer Note 11) in the financial year 2011-12. In the current year the said amount has been transferred back to initial margins from members account and an appropriation of an equal amount has been done out of opening balance of Reserves and Surplus of the company. The company has appropriated for Security Guarantee Fund (SGF) an additional amount of ₹ 20 lacs for the current financial year 2012-13.
- (b) In a Group Company viz. SMX-CCL, the Settlement Guarantee Fund (SGF) is established under the clearing rules of the subsidiary company SMX-CCL, a Designated Clearing House. The SGF shall be used by SMX-CCL upon occurrence of a Declared Default to ensure daily or a final settlement as a result of failure of one or more Clearing Members to discharge the clearing members obligations and liabilities in accordance with these Rules.
- The SGF is made up of:
- Security deposit placements from Clearing Members to SMX-CCL.
 - Insurance cover taken up by SMX-CCL for meeting eventualities arising out of failure of one or more Clearing Members to discharge the obligations and liabilities.
 - Clearing capital contributed by Clearing Members.
 - Other amounts as decided by SMX-CCL at its discretion.
- The total contribution of USD 1 million [equivalent to ₹ 543.89 lacs (Previous year ₹ 511.56 lacs)] was made by SMX-CCL during the previous year 31st March, 2012 and is included in Note 20 under cash and cash equivalents.
- (c) In a Group Company viz. GBOT, deposits from members of USD 933,099 [equivalent to ₹ 507.51 lacs (Previous year ₹ 512.87 lacs)] relate to settlement guarantee fund which is refundable to the members and is included in Note 11 under 'Members liabilities'. The bank balance relating to the same is included in Note 20 under cash and cash equivalents.
- 38.** In a Group Company viz. SMX, contribution is made towards Fidelity Fund.
- Fidelity Funds has an initial fund size of SGD 2 million [equivalent to ₹ 881.44 lacs as at 31st March, 2013 (Previous year ₹ 828.70 lacs)]. The assets of the funds are kept separate from all other assets, and are held in trust for the purposes set out in the Securities and Futures Act, Singapore.
- The purposes of Fidelity Funds pursuant to Section 186 of the Securities and Futures Act, Singapore are as follows:
- to compensate any person (other than an accredited investor) who has suffered a pecuniary loss from any defalcation committed:
 - in the course of, or in connection with the trading of a futures contract;
 - by a member of an approved exchange or by any agent of such member, and;
 - in relation to any money or other property entrusted to or received:

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

- by that member or any of its agents or
- by that member or any of its agents as trustee or on behalf of the trustees of that money or property.

- (b) to pay the Official assignee or a trustee in bankruptcy within the meaning of the Bankruptcy Act (Cap. 20) if the available assets of a bankrupt, who is a member of an approved exchange, are insufficient to satisfy any debts arising from trading in futures contracts which have been proved in the bankruptcy by creditors of a bankrupt member.
- (c) to pay a liquidator of a member of an approved exchange which is being wound up if the available assets of a member are insufficient to satisfy any debts arising from trading in futures contracts which have been proved in the liquidation of a member.

During the previous year, SMX had transferred an amount of SGD 2 million (equivalent to ₹ 670.15 lacs) as contribution to Fidelity Fund.

39. (a) The Parent Company and MCX holds 54,330,000 Equity Shares of ₹ 1/- each in MCX Stock Exchange Limited (MCX-SX) having aggregating cost of ₹ 543.30 lacs. As per the approval received from SEBI to MCX-SX, the groups equity holding along with MCX shall not exceed 5% of the total paid up equity capital of MCX-SX. Considering the time available to adhere to the direction of SEBI as communicated by MCX-SX, the Company has classified its portion of such investments under Current Investments (Refer Note 17) at this point of time till both the entities together reduce the percentage of holding to 5% in MCX-SX. The Company intends to hold the remaining shares of MCX-SX after bringing down the shareholding in MCX-SX to 5% put together with MCX, on a long term basis and accordingly the said Investments will be reclassified under Non-Current Investments.
- (b) Each warrant in MCX-SX entitles the holder to subscribe to one equity share of 1 each of MCX-SX at any time after six months from the date of issue of warrants. The warrants are also freely transferable by endorsement and delivery. The warrants do not carry voting or dividend rights.

40. The particulars of investment in associates as of March 31, 2013 are as follows:

The capital reserve and carrying amount of investment in associates as at March 31, 2013 is as follows:

(₹ lacs)

Name of the Associates	Original Cost	Capital Reserve	Carrying Amount
Multi Commodity Exchange of India Limited (MCX)	1,060.77	-	30,309.04
	(1,060.77)	(-)	(28,076.49)
Indian Energy Exchange Ltd. (IEX)	914.03	1,092.61	5,544.02
	(914.03)	(1,092.61)	(3,485.10)
MCX-SX Clearing Corporation Ltd. (MCX-SX CCL)	575.00	-	645.49
	(575.00)	(-)	(643.21)
SME Exchange Ltd. (SME)	4.90	-	4.54
	(4.90)	(-)	(4.42)

Previous year figures are given in brackets.

41. A Group company viz. FTME holds 20% stake in Audit Control and Expertise Global Ltd., Audit Control and Expertise Ltd. and Commodity Risk Management Technology Pte Ltd. Total carrying cost of such investment included in current investments in equity shares of other companies is USD 5 million (equivalent to ₹ 2,718.50 lacs) [Previous Year USD 5 million (equivalent to ₹ 2,556.92 lacs)]. The shares have an embedded 'purchaser put option' exercisable from June 2009 – June 2010. Since the said companies were not able to meet the projections mentioned in the share purchase agreement, management exercised the put option and called for money paid under share purchase agreement. Pursuant to erstwhile shareholder viz. Dakin International Ltd.'s failure to repay said amount, management invoked the arbitration clause and filed an arbitration claim with International Chamber of Commerce, London as per the share purchase agreement. The Arbitrator vide his award dated April 14, 2011 allowed the Claim of FTME and directed Audit Control and Expertise Global Limited (ACE) and Mr. Andre Soumah, Chairman of ACE to pay FTME USD 5 million along with legal cost, cost of arbitration and interest. The Arbitrator has also held that once the payment is received by FTME, FTME shall transfer to ACE the 20% stake in CRM and the ACE Group currently owned by FTME. Pursuant to the award passed, FTME has initiated proceedings in Switzerland, London and Paris for enforcement of the award. Considering the intention of Management, to hold temporarily, the same has not been considered for equity method of accounting in Consolidated Financial Statements.
42. An associate company viz. MCX (in which the Parent Company has 26.00% equity shareholding and is accounted by the Parent Company under the equity method of accounting) does not treat member's margins and income thereon as part of Settlement Guarantee Fund ('SGF') as contemplated under the Forward Market Commission (FMC) guidelines of SGF issued in 2006 and therefore credits the said income (amount unascertained) to statement of profit and loss. Representations have been made to FMC and a response is awaited.
43. Goodwill on consolidation includes amount aggregating ₹ 745.53 lacs (Previous Year ₹ 745.53 lacs) in respect of certain subsidiaries acquired in earlier years. These entities are at various stages of executing their business plans and have continuing losses. On an evaluation of business plans for these entities, the Parent Company expects value of these investments to be unlocked at appropriate time and accordingly believes there is no impairment of goodwill.

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

44. JOINT VENTURE DISCLOSURE

Name of the Entity : Dubai Gold and Commodities Exchange DMCC ('DGCX')
 Country of Incorporation : United Arab Emirates
 % Holding : 39.11% (Previous Year 39.11%)
 Held by the Parent Company 18.58% and FTGIPL 20.53%: (Previous Year 18.58% and 20.53% respectively)

- (a) Group's share of interest in the assets, liabilities, income, expenses, contingent liabilities and commitments with respect to Jointly Controlled Entity (JCE) (after elimination of the effect of transactions between the Group and JCE) on the basis of financial statements of the JCE as at and for the year ended March 31, 2013:

The amounts are translated at the year end rate for assets and liabilities and average rate for income and expenses for DGCX.

Particulars	₹ lacs
I. Assets	
1. Fixed Assets	40.42
	(49.31)
2. Current Assets	
(a) Trade receivables	24.18
	(92.29)
(b) Cash and cash equivalents	17,033.92
	(10,882.22)
(c) Short term loans and advances	213.97
	(54.58)
(d) Other Current Assets	173.89
	(86.03)
II. Liabilities	
1. Trade payables	1,840.55
	(1,441.03)
2. Other Current Liabilities	16,130.31
	(9,995.89)
3. Provisions	508.42
	(416.18)
III. Income	
1. Admission Fees	83.43
	(187.72)
2. Transaction Fees	1,592.99
	(609.34)
3. Interest Income	314.18
	(225.70)
4. Other Income	46.71
	(28.60)
IV. Expenses	
1. Employee benefits expense	939.86
	(933.92)
2. Depreciation and amortisation expense	20.26
	(12.84)
3. Other expenses	994.31
	(538.07)
V. Contingent liabilities	-
	(-)
VI. Capital and other commitments	-
	(-)

Previous year figures are given in brackets.

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

(b) The movement in Group's share of post-acquisition reserves (loss) of jointly controlled entity is as follows:

(₹ lacs)

Particulars	Current Year	Previous Year
Proportionate Reserves and Surplus (loss) as at the beginning of the year	(5,546.07)	(4,579.03)
Proportionate deficit in statement of profit and (loss) for the year	(156.26)	(660.21)
Movement in Translation Reserve	(367.37)	(306.83)
Proportionate Reserves and Surplus (loss) as at the end of the year	(6,069.70)	(5,546.07)

45. DERIVATIVE INSTRUMENTS OUTSTANDING AS AT THE BALANCE SHEET DATE

(a) Nature of contract	Currency	Loan amount in foreign currency (USD in lacs)	
		31.03.2013	31.03.2012
Interest rate swap contracts (floating to fixed)	USD	1,100.00	500
Forward exchange contracts	Sell USD / Buy INR	39.85	-

(b) Open Interest in Commodity Futures as at the Balance Sheet date:

Sr. No.	Name of Commodity Future	Expiry Date	No. of contracts	No. of Units Involved
1.	Copper M	30/04/2013	181	45250 kgs
2.	Gold	05/04/2013	205	205 kgs
3.	Gold M	05/05/2013	89	8900 grams
4.	Silver	04/05/2013	5	150 kgs
6.	Silver M	30/04/2013	69	345 kgs
7.	Nickel	30/04/2013	26	6500 kgs
8.	Nickel M	30/04/2013	52	5200 kgs
9.	Lead Mini	30/04/2013	23	23 Mt
10.	Zinc Mini	30/04/2013	24	24 Mt

46. EARNINGS PER SHARE IS CALCULATED AS FOLLOWS:

(₹ lacs)

Particulars	Current Year	Previous Year
(a) Net Profit/(Loss) for the year (for basic and diluted EPS)	22,743.89	26,405.24
Less: Adjustment for stock options of associate company	243.35	-
Net profit for the year for Diluted EPS (₹ lacs)	22,500.54	26,405.24
(b) Weighted average number of equity shares		
Basic	46,078,537	46,078,537
Add: Effect of dilutive stock options	391,907	-
Diluted	46,470,444	46,078,537
(c) Basic earnings per share	49.36	57.30
(d) Diluted earnings per share (₹)	48.42	57.30
(e) Face value ₹ per share	2/-	2/-

47. LEGAL AND PROFESSIONAL CHARGES (Refer Note 30) includes payments to auditors (net of service tax input credit):

(₹ lacs)

Particulars	Current Year	Previous Year
As auditors - statutory audit	94.82	108.25
For taxation matters	30.33	21.48
For other services	20.70	22.00
Reimbursement of expenses	1.28	3.12
TOTAL	147.13	154.85

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

48. RELATED PARTY DISCLOSURE

I. Names of related parties and nature of relationship:

(a) Associate Companies

1. Multi Commodity Exchange of India Limited (MCX)
2. Indian Energy Exchange Ltd. (IEX)
3. MCX Stock Exchange Clearing Corporation Limited (MCX-SX CCL)
4. SME Exchange of India Limited (SME) (w.e.f. 26th September, 2011)

(b) Joint Venture

Dubai Gold and Commodities Exchange DMCC (DGCX)

(c) Key Management Personnel

1. Mr. Jignesh Shah : Chairman and Managing director
 2. Mr. Dewang Neralla : Whole time director
 3. Mr. Manjay Shah* : Whole time director
- *Appointed as whole time director w.e.f 1st April,2012

(d) Relative of the Key Management Personnel where transactions have taken place

Mr. Manjay Shah

(e) Entity over which key management personnel is able to exercise significant influence

La-fin Financial Services Pvt. Limited (La-fin)

II. Transactions with related parties

(₹ lacs)

Sr No	Nature of Transactions	Current Year	Previous Year
1.	Income from software products (IPR based license)		
	- MCX	79.62	87.64
2.	Income from software services (Project based)		
	- MCX	11,161.06	8,647.58
	- IEX	966.74	669.94
	- DGCX	275.17	242.93
3.	Service charges		
	- MCX	346.14	756.16
	- IEX	-	2.64
4.	Storage and allied services		
	- MCX	-	478.49
5.	IT Infrastructure sharing Income		
	- MCX	304.54	58.94
	- IEX	-	2.44
6.	Sale of traded goods		
	- MCX	8.00	15.03
7.	Other Operating revenue		
	(a) Business Support Services		
	- MCX	303.55	240.00
	(b) Others		
	- MCX	21.28	21.28
8.	Recoveries charged by the Group towards expenses:		
	- MCX	294.54	632.82
	- IEX	14.66	24.02
	- MCX-SX CCL	-	0.86

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

(₹ lacs)

Sr No	Nature of Transactions	Current Year	Previous Year
9.	Reimbursement of expenses charged to the Group:		
	- by MCX relating to offer for Sale by the Parent Company as part of the public issue of MCX	-	1,375.51
	- other Expenses:		
	- MCX	253.55	221.52
	- IEX	6.86	0.51
	- MCX-SX CCL	16.80	-
10.	Purchase of Tangible Assets - MCX	14.53	3.31
11.	Sale of Tangible Assets		
	- MCX	1.12	1.63
	- IEX		0.24
	- MCX-SX CCL	0.22	0.09
12.	Advances as at the close of the year:		
	- MCX	0.06	-
	- IEX	4.26	-
	- MCX-SX CCL	0.19	-
13.	Income received in advance / Unearned Revenue:		
	- MCX	773.43	46.56
	- IEX	125.43	113.11
	- DG CX	-	33.91
14.	Trade receivables		
	- MCX	13.78	-
	- IEX	50.87	-
	- DG CX	3.98	263.34
15.	Investment made during the year		
	Equity/Ordinary shares		
	- SME	-	4.90
16.	Dividend received		
	- MCX	4,773.44	795.18
	- IEX	182.81	91.40
17.	Remuneration (including professional fees)		
	- Jignesh Shah	1,802.82	1,551.38
	- Dewang Neralla	176.62	176.33
	- Manjay Shah	177.47	60.00
18.	Dividend paid		
	- Jignesh Shah	666.37	666.37
	- Dewang Neralla	4.83	4.83
	- Manjay Shah	6.15	6.15
	- La-Fin	986.40	983.63
19.	Remuneration payable as at the end of the year		
	- Jignesh Shah	1,500.00	1,250.00

Note:

The Parent Company has identified Key Managerial Personnel (KMP) of the reporting enterprise as the KMP of the Group.

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

49. EMPLOYEE BENEFIT PLANS:

Defined contribution plans: Amounts recognized as expenses towards contributions to provident fund, employee state insurance corporation and other funds by the Company are ₹ 674.17 lacs (Previous Year ₹ 702.97 lacs).

Post employment defined benefit plans:

Gratuity Plan: The Company makes annual contributions to the Employee's Group Gratuity Assurance Scheme administered by the Life Insurance Corporation of India ('LIC'), a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to fifteen days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs on completion of five years of service.

The following table sets out the status of the gratuity plan as required under AS -15 (Revised):

(₹ lacs)

Particulars	Current Year	Previous Year			
I. Change in benefit obligation:					
Projected benefit obligation at the beginning of the year	1,202.49	1,018.19			
Interest Cost	102.63	84.00			
Current Service Cost	185.55	235.69			
Benefits Paid	(93.94)	(199.64)			
Cost of plan amendment / Liability Transfer In	37.76	2.77			
Actuarial loss / (gain) on obligations	92.04	32.50			
Obligation transferred / settled	(28.91)	28.98			
Projected benefit obligation at the end of the year	1,497.62	1,202.49			
II. Change in plan assets					
Fair Value of the plan asset at beginning of the year	966.91	805.21			
Expected return on plan assets	82.93	66.43			
Contributions	183.55	284.62			
Benefits paid	(93.94)	(199.64)			
Cost of plan amendment / Liability Transfer In	5.89	-			
Actuarial gain on plan assets	7.22	10.29			
Fair value of plan assets at the end of the year	1,152.56	966.91			
Excess of obligation over plan assets	345.06	235.58			
III. Gratuity expense for the year					
Current service cost	185.55	235.69			
Interest cost	102.63	84.00			
Expected return on plan assets	(82.93)	(66.43)			
Net actuarial (gain) / loss recognized	84.82	22.21			
TOTAL	290.07	275.47			
IV. Actual return on plan assets	80.43	75.18			
V. Category of Assets as at end of the year					
Insurer Managed Funds	1,152.56	966.91			
Fund is managed by LIC of India as per IRDA guidelines, category wise composition of planned asset is not available					
TOTAL	1,152.56	966.91			
VI. Assumptions					
Discount rate	8.00% - 8.25%	8.00% - 8.75%			
Salary escalation rate	7.50%	7.50%			
Expected rate of return on plan assets	8.70%	8.25%			
VII. Experience adjustments:	2013	2012	2011	2010	2009
Defined benefit obligation	1,497.62	1,202.49	1,018.19	860.95	632.92
Fair value of planned assets	1,152.56	966.91	805.21	592.50	386.37
Surplus / deficit	345.06	235.58	212.98	268.44	246.54
Experience adjustment on plan liabilities [(Gain)/Loss]	(19.95)	107.91	68.54	(11.83)	19.02
Experience adjustment on plan assets [Gain/(Loss)]	7.27	6.91	6.87	4.86	1.78

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

Expected rate of return on plan assets is based on expectation of the average long term rate of return expected to prevail over the estimated term of the obligation on the type of the investments assumed to be held by LIC, since the fund is managed by LIC.

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotions and other relevant factors, such as supply and demand in the employment market.

The Group expect to contribute ₹ 441.51 lacs to the plan assets during financial year 2013-14.

50. SEGMENT REPORTING:

The Group has identified Business segments as its primary segment and Geographical segments as its secondary segment taking into account the nature of services, differing risks and returns, the organizational structure and the internal reporting system of the Group. Inter-company transfers are accounted for at market/negotiated prices in case of transactions of special nature for which suitable alternative sources do not exist.

Revenues and direct expenses in relation to segments are categorized based on items that are individually identifiable to that segment or those which can be reasonably allocated to the segment. Depreciation and other expenses which relate to the group as a whole and which cannot be reasonably allocated to any segment have been disclosed as unallocated expenses.

(a) Primary segment: Business segments

(₹ lacs)

Particulars	STP Technologies/ solutions	Exchange based	Storage & Allied Services	Others	Elimination	Total
External revenue	32,449.75 (24,738.47)	18,918.25 (9,260.00)	13,089.98 (10,810.25)	10,735.03 (5,314.65)	- (-)	75,193.01 (50,123.37)
Inter-segment revenue	12,424.62 (18,194.70)	- (-)	0.70 (2.57)	808.47 (808.04)	13,233.79 (19,005.31)	- (-)
Net Sales / Income from operations	44,874.37 (42,933.17)	18,918.25 (9,260.00)	13,090.68 (10,812.82)	11,543.51 (6,122.69)	13,233.79 (19,005.31)	75,193.01 (50,123.37)
Segment result	28,927.66 (28,187.65)	-23,679.58 (-21,224.62)	4,358.30 (845.24)	5,692.95 (6,022.22)	-13,053.25 (4,403.69)	28,352.58 (9,426.80)
Add: Unallocable income						13,047.92 (31,123.28)
Less: Unallocable expenses						11,374.60 (13,506.50)
Less: Finance costs						9,799.83 (6,717.77)
Add: Interest Income						7,358.36 (2,183.38)
Profit before tax						26,930.90 (22,509.19)
Less: Provision for taxation (including taxes in respect of earlier years)						14,254.63 (6,208.90)
Profit after tax before share of results of associates and minority interest						12,676.27 (16,300.29)

Notes:

- Due to diversified nature of business, significant portion of assets are interchangeably used between segments and the management believes that its segregation will not be meaningful.
- The reportable segments are described as follows:
 - STP Technologies/solutions segment represents straight through processing solutions and includes an integrated mix of various products, projects and services incidental thereto. Exchange Based segment represents trading platform for multi asset class like commodity, equity, equity derivatives and forex based derivatives etc. Storage and Allied services represents warehousing and collateral management services.
 - The businesses, which are not reportable segments during the year, have been grouped under the "Others" segment. This mainly comprises of various services towards trading, procurement, process management, risk consultancy activities, Shared Business Support Services, IT Infrastructure Sharing, NBFC related activities, internet telecommunication services and Training, Certification and Franchise Fees.

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

3. Previous year figures are given in brackets and are regrouped to confirm to current year's classification and segment loss is indicated by '-'ve sign.

(b) Secondary Segment: Geographical segments:

The Group has two geographical segments viz, within India and outside India. Significant portion of segment operational assets are in India. Revenue from geographical segments based on domicile of the customers is outlined below:

(₹ lacs)

Particulars	Current Year	Previous Year
Net Revenue/Income from Operations		
Within India	72,501.35	46,644.47
Outside India	2,691.66	3,478.90
TOTAL	75,193.01	50,123.37

51. The aggregate amount of revenue expenditure incurred during the year on Research and Development and shown in the respective heads of the account is ₹ 1,559.31 lacs (Previous Year ₹ 1,665.70 lacs).
52. As per the regulatory under Central Electricity Regulatory Commission (Power Market) Regulations 2010, the parent company need to bring down it's holding in an associate company viz. Indian Energy Exchange Limited (IEX) to 25% on or before 20th January 2014 and accordingly holding in excess of 25% of the share capital of IEX i.e. 8.49% is shown under current investment.

53. Statement regarding subsidiary companies as required under section 212 of the Companies Act, 1956 pursuant to General Circular no. 2/2011 dated February 8th, 2011 issued by the Ministry of Corporate Affairs:

(₹ lacs)

Sr. No.	Particulars	Reporting Currency	Exchange Rate as at March 31, 2013	Capital	Reserves	Total Assets (including investment in subsidiaries)	Total Liabilities	Details of investment (except in case of investment in subsidiaries)	Turnover	Profit/(Loss) before taxation	Provision for taxation	Profit/(Loss) after taxation	Proposed dividend
1	IBS Forex Limited	INR		700.00	(126.89)	575.70	2.59	536.83	-	8.90	-	8.90	-
2	Riskraft Consulting Limited	INR		700.00	(628.76)	88.70	17.46	64.74	16.50	2.29	-	2.29	-
3	atom Technologies Limited	INR		1,716.22	(1,224.81)	1,231.01	739.60	101.50	1,090.36	(1,099.75)	-	(1,099.75)	-
4	National Spot Exchange Limited	INR		4,500.00	14,084.48	99,668.54	81,084.06	2.20	47,201.85	17,943.84	5,464.25	12,479.59	-
5	Indian Bullion Market Association Limited	INR		1,453.89	344.09	17,935.71	16,137.73	0.46	117,845.90	559.26	223.28	335.98	-
6	WesternGhats Agro Growers Company Limited	INR		5.00	(27.11)	19.89	42.00	-	4.91	(27.11)	-	(27.11)	-
7	Farmer Agricultural Integrated Development Alliance Limited	INR		10.00	(0.85)	11.67	2.52	-	4.15	(0.85)	-	(0.85)	-
8	National Bulk Handling Corporation Limited	INR		8,200.00	4,016.15	41,596.16	29,380.01	3.80	15,628.79	1,917.25	467.14	1,450.11	-
9	Global Payment Networks Limited	INR		100.00	14.80	115.08	0.28	109.94	-	7.23	-	7.23	-
10	Financial Technologies Communications Limited	INR		5.00	250.27	364.74	109.47	284.04	617.41	190.00	63.31	126.69	-
11	FT Knowledge Management Company Limited	INR		375.00	18.09	694.63	301.54	368.09	997.01	239.41	40.58	198.83	-
12	TickerPlant Limited	INR		414.25	(1,032.13)	1,278.52	1,896.40	-	2,155.70	(644.66)	-	(644.66)	-
13	Bourse India Limited	INR		5.00	(1.52)	3.70	0.22	-	-	(0.25)	-	(0.25)	-
14	Takshashila Academia of Economic Research Limited	INR		5.00	(126.98)	17.77	139.75	-	7.00	(13.15)	-	(13.15)	-
15	Apian Finance & Investment Limited	INR		431.44	284.91	4,228.16	3,511.81	628.84	338.38	119.29	36.85	82.44	-
16	Trans-Global Credit and Finance Limited	INR		5.00	(5.59)	1.14	1.73	-	-	(0.39)	-	(0.39)	-
17	Credit Market Services Limited	INR		525.00	(526.52)	17.87	19.39	-	-	(2.35)	-	(2.35)	-
18	FT Projects Limited	INR		5.00	(4.57)	2,500.86	2,500.43	-	-	(2.86)	-	(2.86)	-
19	Knowledge Assets Private Limited	USD	54.3893	5.44	(26.98)	2.69	24.23	-	-	(4.21)	-	(4.21)	-
20	Singapore Mercantile Exchange Pte.Ltd.	USD	54.3893	53,138.35	(29,249.62)	24,175.93	287.20	-	1,857.83	(8,626.83)	1,984.33	(6,642.50)	-
21	Singapore Mercantile Exchange Clearing Corporation Pte. Ltd.	USD	54.3893	9,479.43	(5,429.00)	4,584.18	533.75	-	57.81	(2,869.47)	493.51	(2,375.96)	-
22	ICX Platform (Pty) Limited	ZAR	6.393	0.01	(141.89)	104.01	245.89	44.86	90.24	97.70	-	97.70	-
23	Financial Technologies Singapore Pte.Ltd.	USD	54.3893	44,786.02	(401.01)	54,652.49	10,267.48	-	-	(373.32)	-	(373.32)	-
24	Financial Technologies Projects Private Limited	MUR	1.8225	0.09	(1.51)	0.06	1.48	-	-	(0.46)	-	(0.46)	-
25	FT Group Investments Pvt. Ltd.	USD	54.3893	8,191.03	(9,026.32)	99,363.95	100,199.24	4,563.03	617.89	(6,303.77)	-	(6,303.77)	-
26	Financial Technologies Middle East DMCC	AED	14.8843	9,823.64	(3,899.80)	6,622.39	698.55	6,276.80	259.15	(432.32)	-	(432.32)	-
27	Capricorn Fin-Tech (Pvt.) Ltd.	AED	14.8843	0.89	(3.43)	0.75	3.29	-	-	(0.11)	-	(0.11)	-
28	Global Board of Trade Limited	USD	54.3893	28,282.44	(17,612.33)	16,851.78	6,181.67	-	60.90	(8,247.52)	1,998.31	(6,249.21)	-
29	GBOT Clear Ltd.*	USD	54.3893	5.61	(4.64)	5.61	4.64	-	-	(4.64)	-	(4.64)	-
30	Bahrain Financial Exchange BSC (c)*	BHD	147.037	27,642.96	(22,782.13)	15,717.44	10,856.61	-	47.82	(10,016.85)	-	(10,016.85)	-
31	Bourse Africa Limited	USD	54.3893	19,047.13	(4,440.03)	17,032.16	2,425.06	-	-	(1,327.24)	-	(1,327.24)	-
32	Bourse Africa (Kenya) Limited*	USD	54.3893	0.68	-	0.68	-	-	-	-	-	-	-
33	Bourse Tanzania Limited*	USD	54.3893	0.04	-	0.04	-	-	-	-	-	-	-
34	Bourse Zambia Limited*	USD	54.3893	0.54	-	0.54	-	-	-	-	-	-	-
35	Bourse Exchange Nigeria Limited*	USD	54.3893	35.90	-	35.90	-	-	-	-	-	-	-
36	Bourse Uganda Limited*	USD	54.3893	2.72	-	2.72	-	-	-	-	-	-	-
37	Bourse South Africa Limited*	USD	54.3893	0.03	-	0.03	-	-	-	-	-	-	-
38	ICX Africa Limited*	USD	54.3893	-	-	-	-	-	-	-	-	-	-

*Figures disclosed based on the Consolidated Financial Statements of Bahrain Financial Exchange BSC(c) and its subsidiary BFX Clearing & Depository Corporation BSC(c)

*Figures are based on unaudited financial statements; however for the purpose of consolidated financial statements, the parent company has received audited consolidated financial statements of FT Group Investments Pvt. Limited and its subsidiaries listed at Sr. No. 25 to 38.

Note: Indian rupee equivalents of the figures in foreign currencies in the accounts of the subsidiary companies, are based on the exchange rates as on 31st March, 2013.

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2013

54. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

For and on behalf of the Board

Jignesh Shah

Chairman & Managing Director

P. R. Barpande

Director

Naishadh Desai

Sr. Vice President (Legal) & Company Secretary

Devendra Agrawal

Chief Financial Officer

Place : Mumbai

Date : 30th May, 2013

Place : Mumbai

Date : 30th May, 2013

FINANCIAL TECHNOLOGIES (INDIA) LTD.

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

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Regd. Office: Doshi Towers, 1st Floor, 1A & B, 156, Periyar EVR Salai, Kilpauk, Chennai 600 010.

Addendum to Directors' Report

Dear Shareholders,

(1) Your company would like to brief you about the developments of National Spot Exchange Limited ("NSEL"), a subsidiary Company which is in the news in the recent past. Your Company would like put forward the following facts:

- National Spot Exchange Ltd. (NSEL) is engaged in the business of providing electronic spot trading platform for commodities, e-series contracts and procurement activities and is carrying out its activities since last seven years by a team of professionals.
- NSEL commenced live trading on October 15, 2008 and all contracts traded on NSEL platform are compulsory delivery contracts. At present NSEL is operational in 16 states across the country under license from Agricultural Produce Market Committee (APMC) providing delivery based spot trading in 52 commodities.
- The Ministry of Consumer Affairs issued a notification dated June 5, 2007 under Section 27 of the Forward Contracts (Regulation) Act, 1952 (FCRA) exempting NSEL from operation of FCRA subject to certain conditions mentioned therein.
- Forward Market Commission (FMC) was appointed as designated agency under a notification issued under section 27 of FCRA.
- NSEL is engaged into various other activities to support and promote cause of the farmers, Farmer Producer Organizations, State Marketing Federations as well as various Government agencies. Some of such activities are as follows:
 - (a) NSEL carries out Minimum Support Price (MSP) cotton procurement on behalf of Government viz. National Agricultural Cooperative Marketing Federation of India Limited (Nafed), Small Farmers' Agri-Business Consortium (SFAC) etc.
 - (b) NSEL has implemented Forward auction model for Food Corporation of India (FCI) and other Government agencies: for sale of wheat under Open Market Sale Scheme (OMSS) by FCI. This was a pilot project carried out for FCI, in which NSEL provided its services without charging any fee from FCI. Based on our performance, now FCI is looking at expanding electronic auction of wheat through NSEL across the country.
 - (c) NSEL has implemented Forward auction model for sale of cotton bales on behalf of Nafed.
 - (d) NSEL has conducted Electronic auction for Metals and Minerals Trading Corporation of India Ltd. (MMTC), Project and Equipment Corporation of India Limited (PEC), Neelachal Ispat Nigam Limited (NINL), State Trading Corporation (STC) and Nafed for pulses through its platform on behalf of Government agencies engaged in import of pulses.

- (e) NSEL has implemented Forward and Reverse auction model for (Hafed) to sell Paddy, Bajara and other food grain items. They have been able to realize higher price, compared to traditional tender method, due to competitive bidding by large number of buyers from across the country.
- (f) **e**-Series contracts: NSEL has launched 7 contracts under **e**-Series, which are **e**-Gold, **e**-Silver, **e**-Platinum, etc., which are settled by delivery and payment within 2 days.
- All trades executed in various contracts traded on the platform of NSEL are settled on their due date by delivery and payment. Trades take place in these contracts every day and are settled by delivery and payment on respective “settlement due date” as per contract specifications of NSEL. Hence, a contract is available for trading on the platform of NSEL on continuous basis, while delivery and settlement also happens regularly as per settlement schedule. The contract once launched continues to be available for trading till participants are interested to trade therein.
 - NSEL received a Show Cause Notice dated 27th April, 2012 from the Ministry alleging that NSEL is running contracts with more than 11 days delivery period thereby they are conducting Non-Transferable Specific Delivery (NTSD) contracts not permissible under the notification; NSEL does not have mechanism to check the short sales and balances to ensure that the short sales do not take place on the Exchange. Therefore, NSEL has violated the terms of the notification S.O No. 906 (E) dated 5th June, 2007
 - NSEL had filed a detailed reply to the said Show Cause Notice vide its letter dated May 23, 2012 wherein it was stated that they had not committed violation of any law or of the terms of the notification S.O. No. 906 (E) dated June 5, 2007. NSEL had given detailed justification as to how the contracts that are introduced on the Exchange are not violative of the said notification and how there are no short sales happening on the Exchange platform of NSEL. The said letter was followed up with the Ministry with further correspondence dated August 11, 2012, July 8, 2013 and July 12, 2013.
 - Ministry vide its letter dated July 12, 2013 directed NSEL to submit undertaking to the fact that:
 - (i) No further/fresh contracts shall be launched till further instructions from concerned authority.
 - (ii) All the existing contracts will be settled on the due dates.
 - NSEL vide its letter dated July 22, 2013 forwarded their undertaking as sought by the Ministry.
 - Thereafter, in view of directions of the concerned Ministry, the situation was aggravated by the loss of trading interest due to uncertainties leading to trade in-equilibrium.
 - Therefore, NSEL has issued a circular dated July 31, 2013 informing its members that with immediate effect all one day forward contracts are suspended till further instructions, however the trading in **e**-series and contracts for Nafed, Hafed, SFAC shall continue.
 - On August 4, 2013, NSEL issued a press release clarifying the Exchange is fully committed to ensure proper settlement of all outstanding obligations and to comply with the directions issued by the Government in this regard and to settle all issues as per Rules and Bye laws of the Exchange.
 - On August 5, 2013, NSEL announced the formation of an Independent Committee consisting of eminent dignitaries' viz. Shri Sharad Upasani, IAS (Retd.), Justice R. J. Kochar, Shri G. N. Bajpai, Shri D. Sivanandan, IPS (Retd.).
 - In addition to the above, NSEL is constituting two committees - one committee of planters / processors and second is of Members of the exchange for better coordination. The Exchange continues to update the FMC regularly on these matters.

- All the information are available on NSEL's website and all future action plan will be announced through media in consultation with FMC and also uploaded on NSEL website from time to time.
- NSEL has notified to its Members regarding Settlement Schedule which will commence from Friday, 16th August 2013, there will be pay-in every Friday and pay-out every subsequent Tuesday, till it completes all back log of pay-in and pay-out.
- NSEL has suspended the MD & CEO of NSEL along with senior professionals who are responsible for the situation.
- Mr. Shreekant Javalgekar, Mr. R. Devarajan, Mr. Shankarlal Guru, Mr. B. D. Pawar resigned from the Board of NSEL.
- Exchange is in the process of declaring defaults of Members who defaulted in pay-in obligations.

(2) Mr. R. Devarajan - Independent Director of your Company has resigned from the Board and its committees for professional commitments and he ceases to be the Director of the Company.

(3) Mr. P. R. Barpande - Independent Director of your Company has resigned from the Board and its committees and he ceases to be the Director of the Company.

(4) Mr. Ravi Sheth, Non-Independent Director of the Company has withdrawn his consent for re-appointment as a Director at the ensuing Annual General Meeting.

(5) Mr. N. Balasubramanian has been appointed as Additional Director and he holds office upto the date of forthcoming Annual General Meeting

The Directors report and the Corporate Governance Report of the Company for the FY 2012-13 be read in conjunction with the above addendum.

For and on behalf of the Board

Place: Mumbai
Date: 22nd August, 2013

Dewang Neralla
Whole-time Director

Chandrakant Kamdar
Director



FINANCIAL TECHNOLOGIES (INDIA) LIMITED

Regd. Office: Doshi Towers, 1st Floor, 1A & B, 156, Periyar EVR Salai, Kilpauk, Chennai 600 010.

ADDENDUM to the Notice dated 30th July 2013 calling the 25th Annual General Meeting of Financial Technologies (India) Limited on Wednesday, 25th September 2013 at 2:00 p.m. at Sri. P. Obul Reddy Hall (Vani Mahal), 103, G. N. Chetty Road, T. Nagar, Chennai - 600 017.

Attention of the members is invited to the Notice of 25th Annual General Meeting of the members of the Company scheduled on 25th September 2013. The following developments took place subsequent to the date of said Notice and addendum dated 22nd August, 2013;

1. The Company received letter from Mr. C. M. Maniar, Director of the Company, resigning from the Board.
2. The Company received letter from Mr. N. Balasubramanian, resigning from the Board. Mr. N. Balasubramanian was appointed as Additional Director of the Company on 22nd August 2013.

In view of the resignation letters received from Mr. C. M. Maniar and Mr. N. Balasubramanian, item no. 4 covered under Ordinary Business of the Notice dated 30th July 2013 and item no. 12 covered under Special Business of the addendum to Notice dated 22nd August 2013 respectively, shall stand deleted. The following item no. 13 under Special Business also be considered as an Addendum to the Notice;

SPECIAL BUSINESS:

13. To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 256 and other applicable provisions, if any, of the Companies Act, 1956, the vacancy caused by the resigning director Mr. C. M. Maniar, be and is hereby not filled at this meeting or at any adjournment thereof.”

The Notice dated 30th July 2013 calling the 25th Annual General Meeting including Notes forming part thereof and the Para on “Details of Directors seeking re-appointment at the forthcoming Annual General Meeting (pursuant to clause 49 of the Listing Agreement)” and Addendum dated 22nd August 2013 be read in conjunction with the above addendum.

By Order of the Board

sd/-

Naishadh Desai

Sr. VP (Legal) & Company Secretary

Place: Mumbai

Date: 27th August 2013

ANNEXURE TO THE ADDENDUM TO NOTICE

Explanatory Statement pursuant to section 173 of the Companies Act, 1956:

ITEM NO. 13

Pursuant to provisions of Section 256 of the Companies Act, 1956, Mr. C. M. Maniar, Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting. The Company has received intimation from him on 26th August 2013 expressing his desire not to continue as a Director of the Company with immediate effect. The Company does not propose to fill the vacancy arising from the resignation of Mr. C. M. Maniar. The Company appreciates his contribution and support extended during his tenure as director on the Board of the Company.

Accordingly, the Board recommends the resolution for the approval of the members.

By Order of the Board

sd/-

Naishadh Desai

Sr. VP (Legal) & Company Secretary

Place: Mumbai

Date: 27th August 2013



FINANCIAL TECHNOLOGIES (INDIA) LIMITED

Regd. Office: Doshi Towers, 1st Floor, 1A & B, 156, Periyar EVR Salai, Kilpauk, Chennai 600 010.

ADDENDUM to the Notice dated 30th July 2013 calling the 25th Annual General Meeting of Financial Technologies (India) Limited on Wednesday, 25th September 2013 at 2:00 p.m. at Sri. P. Obul Reddy Hall (Vani Mahal), 103, G. N. Chetty Road, T. Nagar, Chennai - 600 017.

Attention of the members is invited to the Notice of 25th Annual General Meeting of the members of the Company scheduled on 25th September 2013. The following developments took place subsequent to the date of Notice;

1. The Company received intimation from Mr. Ravi K. Sheth, Director of the Company withdrawing his consent for re-appointment as a Director at the ensuing Annual General Meeting.
2. Mr. N. Balasubramanian was appointed as Additional Director of the Company on 22nd August 2013. He holds office upto the date of the forthcoming Annual General Meeting

In view of the Intimation received from Mr. Ravi K. Sheth, item no. 3 covered under Ordinary Business of the said Notice shall stand deleted. The following item no. 11 and item no. 12 under Special Business be considered as an Addendum to the Notice;

SPECIAL BUSINESS:

11. To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 256 and other applicable provisions, if any, of the Companies Act, 1956, the vacancy caused by the retiring director Mr. Ravi K. Sheth, not seeking re-appointment, be and is hereby not filled at this meeting or at any adjournment thereof.”

12. To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. N. Balasubramanian who was appointed as an Additional Director pursuant to Section 260 of the Companies Act, 1956 at the Board meeting held on 22nd August 2013, and who holds office upto the date of the Twenty fifth Annual General Meeting and in respect of whom notice under Section 257 of the Companies Act, 1956 has been received proposing Mr. N. Balasubramanian as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

The Notice dated 30th July 2013 calling the 25th Annual General Meeting, Notes forming part thereof and the Para on “Details of Directors seeking re-appointment at the forthcoming Annual General Meeting (pursuant to clause 49 of the Listing Agreement)” included therein be read in conjunction with the above addendum.

By Order of the Board

sd/-

Place: Mumbai

Date: 22nd August 2013

Naishadh P. Desai
Sr. VP (Legal) & Company Secretary



ANNEXURE TO THE ADDENDUM TO NOTICE

Explanatory Statement pursuant to section 173 of the Companies Act, 1956:

ITEM NO. 11

Pursuant to provisions of Section 256 of the Companies Act, 1956, Mr. Ravi K. Sheth, Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting. The Company has received intimation from him on 13th August 2013 expressing his desire not to offer himself for re-appointment as a Director at the upcoming Annual General Meeting. The Company does not propose to fill the vacancy arising from the retirement of Mr. Ravi Sheth. The Company appreciates his contribution and support extended during his tenure as director on the Board of the Company.

None of the Directors, except Mr. Ravi Sheth is concerned or interested in the resolution.

Accordingly, the Board recommends the resolution for the approval of the members.

ITEM NO. 12

Mr. N. Balasubramanian was appointed as an Additional Director of the Company by the Board of Directors at their meeting held on 22nd August 2013, pursuant to the provisions contained in Article 67 of the Articles of Association of the Company and Section 260 of the Companies Act, 1956. Accordingly, Mr. Balasubramanian will hold office upto the date of this Annual General Meeting.

Mr. Balasubramanian is a Post Graduate in Science and a Post Graduate from Indian Institute of Management, Ahmedabad, and has extensive experience in Banking and Finance. He has been associated with institutions like Small Industries Development Bank of India (SIDBI), IFCI, Bank of Baroda etc. During his tenure as Chairman & Managing Director of SIDBI, he gave new thrust to SME financing and created a strong linkage between commercial banks & SIDBI for supporting SMEs cause. He has also served IFCI as Chairman for a short stint. He was associated with planning commission in preparing 5 years plan documents, focused on SME Financing as Chairman of the Sub-Committee.

Your Directors recommend his appointment as a Director. Except Mr. N. Balasubramanian, none of the other Directors of the Company is, in any way concerned or interested in the resolution.

By Order of the Board

sd/-

Naishadh P. Desai

Sr. VP (Legal) & Company Secretary

Place: Mumbai

Date: 22nd August 2013

FINANCIAL TECHNOLOGIES (INDIA) LIMITED

Regd. Office: Doshi Towers, 1st Floor, 1A & B, 156, Periyar EVR Salai, Kilpauk, Chennai 600 010.

NOTICE

NOTICE is hereby given that the Twenty Fifth Annual General Meeting of the Members of Financial Technologies (India) Limited will be held on Wednesday, the 25th September 2013 at 2.00 P.M. at Sri. P. Obul Reddy Hall (Vani Mahal), 103, G. N. Chetty Road, T. Nagar, Chennai - 600 017 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2013 and the Profit & Loss Account for the year ended on that date together with the Schedules attached thereto, and the Reports of the Board of Directors' and Auditors' thereon.
2. To ratify the payment of Interim Dividend(s) and to declare a Final Dividend on Equity Shares.
3. To appoint a Director in place of Mr. Ravi K. Sheth, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. C. M. Maniar, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint M/s. Deloitte Haskins & Sells, Chartered Accountants (ICAI Registration No. 117366W), the retiring Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors/Committee to fix their remuneration.

"**RESOLVED THAT** pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s Deloitte Haskins & Sells, Chartered Accountants, (ICAI Registration No. 117366W) be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting at a remuneration and reimbursement of out-of-pocket expenses, if any, as may be mutually agreed to, between the Board of Directors/Committee and M/s. Deloitte Haskins & Sells."

SPECIAL BUSINESS:

6. To consider and, if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution**:
"**RESOLVED THAT** pursuant to the provisions of Sections 198, 309 and all other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded for payment of commission to Non-Executive Directors of the Company upto 1% of the Company's net profits as computed in accordance with Sections 349 and 350 of the Companies Act, 1956, from the Financial Year 2013-14 onwards, to be distributed amongst the Non-Executive Directors as may be decided by the Board from time to time.
RESOLVED FURTHER that the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary or expedient for giving effect to this resolution."
7. To consider and, if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution**:
"**RESOLVED THAT** pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 including any amendments thereto, and all other applicable provisions, if any, of the Companies Act, 1956 ("the Act") and in accordance with the provisions of the Memorandum and Articles of Association of the

Company, provisions of the Securities & Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended from time to time (hereinafter referred to as "the Guidelines"), the Listing Agreement entered into with the Stock Exchanges where the securities of the Company are listed or other relevant authority from time to time, to the extent applicable and subject to such other conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall include a duly authorized and constituted Committee of Directors), the consent and the approval of the Company be and is hereby accorded to the Board to create, offer and grant, issue and allot at any time to or to the benefit of such person(s) who are in permanent employment of the Company, including Directors of the Company, whether working in India or abroad or otherwise, except the Promoter Directors under Employees Stock Option Scheme - 2013 ("the ESOP Scheme - 2013") such number of equity linked instruments (including warrants / options / Restricted Stock Units ("RSU's") and/or performance options, exercisable into equity shares, hereinafter collectively referred to as "Securities"), which shall not exceed 9,00,000 (Nine Lakhs) or 2% of the paid-up equity share capital of the Company as on the date of grant of option(s) convertible into equivalent number of Securities (in case of bonus and rights issues and split of shares, the aggregate number of stock options would increase in the proportion of bonus and rights and split of shares), at such price, in one or more tranches and on such terms and conditions as may be fixed or determined by the Board / Committee.

RESOLVED FURTHER THAT the said Securities may be granted / allotted directly to such employees / Directors of the Company in accordance with the ESOP Scheme – 2013.

RESOLVED FURTHER THAT the issue of Securities to any non-resident employee(s), non-resident Director(s) shall be subject to approval(s), permissions or consents as may be necessary from the Reserve Bank of India or any other relevant authority in this regard, if any.

RESOLVED FURTHER THAT the new equity shares to be issued and allotted by the Company in the manner aforesaid shall rank pari-passu in all respects with the existing equity shares of the Company.

RESOLVED FURTHER THAT the Company conform to the accounting policies prescribed from time to time under the Guidelines.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the Securities allotted, on the exchanges where the Company's equity shares are listed as per the terms and conditions of the listing agreement entered into with the stock exchanges and other applicable guidelines, rules and regulations.

RESOLVED FURTHER THAT the Board/Committee be and is hereby authorized to modify or amend any of the terms and conditions of the ESOP Scheme - 2013 as it may deem fit from time to time in its sole and absolute discretion in conformity with provisions of the Companies Act, 1956, the Memorandum and Articles of Association of the Company and the Guidelines.

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board be and is hereby authorized to do all such acts, deeds and things and to execute all such deeds, documents, instruments and writings as it may in its sole and absolute discretion deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto."

8. To consider and, if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 including any amendments thereto, and all other applicable provisions, if any, of the Companies Act, 1956 ("the Act") and in accordance with the provisions of the Memorandum and Articles of Association of the Company, provisions of the Securities & Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended from time to time (hereinafter referred to as "the Guidelines"), the Listing Agreement entered into with the Stock Exchanges where the securities of the Company are listed or other relevant authority from time to time, to the extent applicable and subject to such other conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall include a duly authorized and constituted Committee of Directors) the consent and the approval of the Company be and is hereby accorded to the Board to create, offer and grant, issue and allot at any time to or to the benefit of such person(s) who are in permanent employment of the Subsidiary Company(ies), including Directors of the Subsidiary

Company(ies), whether working in India or abroad or otherwise, except the Promoter Directors under Employees Stock Option Scheme- 2013 ("the ESOP Scheme - 2013") such number of equity linked instruments (including warrants / options / Restricted Stock Units ("RSU's") and/or performance options, exercisable into equity shares, hereinafter collectively referred to as "Securities"), which shall not in aggregate exceed 9,00,000 (Nine Lakhs) or 2% of the paid-up equity share capital of the Company as referred to in resolution no. 7 above as on the date of grant of option(s) convertible into equivalent number of Securities (in case of bonus and rights issues and split of shares, the aggregate number of stock options would increase in the proportion of bonus and rights and split of shares), at such price, in one or more tranches and on such terms and conditions as may be fixed or determined by the Board / Committee.

RESOLVED FURTHER THAT the said Securities may be granted / allotted directly to such employees / directors of the Company in accordance with the ESOP Scheme – 2013.

RESOLVED FURTHER THAT the issue of Securities to any non-resident employee(s), non-resident Director(s) shall be subject to approval(s), permissions or consents as may be necessary from the Reserve Bank of India or any other relevant authority in this regard, if any.

RESOLVED FURTHER THAT the new equity shares to be issued and allotted by the Company in the manner aforesaid shall rank pari-passu in all respects with the existing equity shares of the Company.

RESOLVED FURTHER THAT the Company conform to the accounting policies prescribed from time to time under the Guidelines.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the Securities allotted, on the exchanges where the Company's equity shares are listed as per the terms and conditions of the listing agreement entered into with the stock exchanges and other applicable guidelines, rules and regulations.

RESOLVED FURTHER THAT the Board / Committee be and is hereby authorized to modify or amend any of the terms and conditions of the ESOP Scheme - 2013 as it may deem fit from time to time in its sole and absolute discretion in conformity with provisions of the Companies Act, 1956, the Memorandum and Articles of Association of the Company and the Guidelines.

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board be and is hereby authorized to do all such acts, deeds and things and to execute all such deeds, documents, instruments and writings as it may in its sole and absolute discretion deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto."

9. To consider and, if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, (the Act') (including any statutory amendments thereto or modifications or re-enactments thereof for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and in accordance with the Regulations/Guidelines, if any, prescribed by the Securities and Exchange Board of India (SEBI), the Reserve Bank of India (RBI), the Foreign Exchange Management Act, 1999 (FEMA), the provisions of the Issue of Foreign Currency Convertible Bonds (Through Depository Mechanism) Scheme, 1993 (including any statutory amendments thereto or modifications or re-enactments thereof for the time being in force) and the Listing Agreement entered into by the Company with the Stock Exchanges where the shares of the Company are listed and all other applicable Laws and Regulations framed/issued by any appropriate or statutory authority and subject to the Company obtaining all approvals, consents, permissions and sanctions as may be required from the Government of India (GOI) and RBI, SEBI, Stock Exchanges and any and all governmental or regulatory authorities and subject to such conditions and modifications as may be prescribed or imposed whilst granting such approvals, consents, permissions and sanctions; provided that such conditions and modifications as may be prescribed or imposed whilst granting such approvals, permissions and sanctions are acceptable to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include "Committee" as may be constituted by the Board), the consent and approval of the Company be and is hereby accorded to the Board for issuance of the Company's securities (as defined below) in pursuance of one or more International or Domestic Public Offerings, by way of direct issuance and allotment of shares or other securities including in the form of Global Depository Receipts (GDRs) and/or American Depository Receipts (ADRs); and/or any other security linked to shares; and/or any other convertible instruments or securities such as Bonds, Convertible Debentures, Foreign Currency Convertible Bonds (FCCBs), Convertible Warrants (hereinafter referred to as Securities) to be subscribed by

Foreign/Domestic Investors including but not limited to Non Resident Indians (NRIs), Foreign Institutional Investors (FIIs), Qualified Institutional Buyers (QIBs), Mutual Funds, Foreign banks, Foreign nationals/companies and/or Corporate Bodies and/or individuals or otherwise, whether or not such investors are Members of the Company, in any Foreign Currency or Indian Rupees, subject to such conditions as the Board / Committee may consider appropriate, provided that the amount for which the Securities are to be issued shall not exceed ₹ 10,000,000,000 (Rupees One Thousand Crores) or its equivalent of any other Foreign currencies in one or more tranches and shall be in accordance with all applicable laws and Regulations. The Board / Committee be and is hereby authorized subject to applicable laws and regulations to issue, the aforesaid Securities to the investors, in such manner as they may deem appropriate in their absolute discretion, including the pricing and conversion, the form and the persons to whom the Securities may be issued and all other terms and conditions connected therewith, in one or more tranches and at a market price and/or at a premium to market price(s), and if necessary, in consultation with the Lead Managers and/or Underwriters and/or other Advisors of the Company concerned with the offering, as they may deem appropriate.

RESOLVED FURTHER THAT in the event of issue of equity shares and/or other convertible Securities by way of a Qualified Institutions Placement, the 'Relevant Date' means (i) in case of allotment of equity shares, the date of the meeting in which the Board of Directors of the Company or the committee of Directors duly authorised by the Board of Directors of the Company decides to open the proposed issue; (ii) in case of allotment of eligible convertible securities, either the date of the meeting in which the Board of Directors of the Company or the committee of Directors duly authorised by the Board of Directors of the Company decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the equity shares, subsequent to the receipt of Members' approval in terms of Section 81(1A) and other applicable provisions, if any, of the Act and other applicable laws, regulations and guidelines in relation to the proposed issue of the Securities and allowed under the SEBI Regulations from time to time.

RESOLVED FURTHER THAT in the event of issue of Securities other than through a Qualified Institutions Placement to Qualified Institutional Buyers, the relevant date on the basis of which price of the resultant Securities shall be determined, shall be as specified under the respective applicable laws prevalent at that time.

RESOLVED FURTHER THAT without prejudice to the generality, the issuance of the securities may have to be subject to such terms or conditions as are in accordance with prevalent market practices and applicable Laws and Regulations including but not limited to the terms and conditions relating to payment of dividend, premium, the terms of issue of additional shares or variations in the price or period of conversion of securities into equity shares or terms pertaining to voting rights or conversion rights and that the Company is also entitled to enter into and execute all such arrangements with Lead Managers, Underwriters, Guarantors, Depositories, Custodians and all such Agencies as may be involved or concerned in such offering of securities and to remunerate all such Agencies including by way of commissions, brokerage, fees or the like, also to seek the listing of such securities or securities representing the same in one or more Domestic/International Stock Exchanges, in accordance with all applicable laws and regulations.

RESOLVED FURTHER THAT the Company and/or any Agencies or Bodies as are authorized by the Board / Committee may issue Depository Receipts (including by way of GDRs or ADRs or FCCBs) represented by underlying shares in the capital of the Company or such other Securities as may be required with such features and attributes as are prevalent in International / Domestic Capital Markets for instruments of this nature and to provide for the tradability and free transferability thereof in accordance with market practices and subject to applicable laws and regulations and the Articles of Association of the Company.

RESOLVED FURTHER THAT the Securities issued in foreign markets shall be deemed to have been made abroad and/or in the market and/or at the place of issue of the securities in the International market and may be governed by applicable laws.

RESOLVED FURTHER THAT the Board/Committee be and is hereby authorized to issue and allot such number of Securities as may be required to be issued and allotted upon conversion of any Securities (referred to above) or as may be necessary in accordance with the terms of the offering. The equity shares so issued and allotted upon conversion of underlying Securities shall rank in all respects pari-passu with the existing equity shares of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to any issuances, offerings or allotments of Securities as described above, the Board / Committee be and is hereby authorized, on behalf of the Company, to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary or desirable, for such purpose, including without limitation, entering into arrangements for managing, underwriting, marketing, listing, trading, and appointing Lead Managers, Underwriters, Guarantors, Depositories, Custodians, Registrars and such other

agencies and to issue any Prospectus or Offering Documents and sign, deliver or modify the same and all other required applications, filings, deeds, documents and writings and to pay any fees, commissions, remuneration and expenses relating to the Offerings and with power on behalf of the Company to settle all questions, difficulties or doubts, that may arise in regard to such Offerings as the Board may, in its absolute discretion, deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers described above to any Directors and/or Officers and/or any Committee of Directors of the Company.”

10. To consider and, if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 372A and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to such other approval / consent as may be required, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall include any committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) to make investment, in one or more tranches, by way of subscription, purchase or otherwise, in any securities comprising of equity shares, convertible or non-convertible preference shares and/or optionally convertible debentures, in FT Projects Limited, for an amount not exceeding ₹ 50 Crores (Rupees Fifty Crores only).

RESOLVED FURTHER THAT in addition to the above investments, the Board be and is hereby authorised to give loans and/or guarantees and/or provide security, under Section 372A and other applicable provisions of the Companies Act, 1956, to or on behalf of FT Projects Limited upto an aggregate amount of ₹ 100 Crores (Rupees One Hundred Crores only).

RESOLVED FURTHER THAT the Board be and is hereby authorized to negotiate and finalise the terms and conditions of the said investments, loans, guarantees and provision of security on behalf of the Company as it may deem fit in the interest of the Company, to take all such actions and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company, in connection with such investments, loans, guarantees and provision of security and generally to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution.”

By Order of the Board

sd/-

Naishadh P. Desai

Sr. VP (Legal) & Company Secretary

Place: Mumbai

Date: 30th July 2013

NOTES:

1. The Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 is annexed hereto, and forms part of the Notice.
2. **A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of himself / herself and such proxy need not be a member of the Company.**
3. **Instrument of proxy, in order to be effective, must be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting.**
4. Members/Proxies are requested to fill in the enclosed attendance slip and deposit it at the entrance of the meeting hall.
5. All documents referred to in the Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days (Monday to Saturday) from 10.00 AM to 1.00 PM upto the date of the meeting, except holidays.
6. The Register of Members and Share Transfer Books of the Company will remain closed **from 18th September 2013 to 25th September 2013 (both days inclusive)** in terms of the provisions of Section 154 of the Companies Act, 1956 and the applicable clauses of the Listing Agreement entered into with the stock exchanges.
7. If the Final Dividend, as recommended by the Board of Directors is approved by the members at the meeting, payment of such dividend will be made to those Members whose names shall appear on the Company's Register of Members after entertaining all valid requests for transfer of shares lodged on or before 17th September 2013. In respect of the shares held in electronic form, the dividend will be payable on the basis of beneficial ownership, as per details furnished by National Securities Depository Limited and Central Depository Services (India) Limited as on 17th September 2013.
8. Pursuant to the provision of Section 205A(5) and section 205C of the Companies Act, 1956, the Company has transferred unpaid/unclaimed final dividend for the F.Y. 2004-05 and interim dividend for F.Y. 2005-06 to Investor Education and Protection Fund (IEPF) established by the Central Government.
9. Those Members who have so far not encashed their dividend warrants from the financial year 2006-07 onwards, may approach the Registrar and Share Transfer Agent, M/s. KARVY Computershare Private Limited at the address mentioned elsewhere in the Notice for the payment without further delay as the said unpaid dividend will be transferred to the Investor Education and Protection Fund of the Central Government, pursuant to Section 205C of the Companies Act, 1956. Shareholders are requested to note that no claim shall lie against the said Fund or the Company in respect of any amounts which were unclaimed and unpaid for a period of 7 years and transferred to Investor Education and Protection Fund of the Central Government.
10. Members are requested to notify to the Registrar and Share Transfer Agent of the Company at KARVY Computershare Private Limited, Plot No. 17 to 24, Vittalrao Nagar, Madhapur, Hyderabad 500 081, in respect of:
 - i. Change in address
 - ii. Consolidation of holdings
 - iii. Residential status from NRI to Resident Indian or vice versa
 - iv. Change in particulars of NRE Bank Account with complete address
11. Corporate Members are requested to send a duly certified copy of the Board Resolution or Power Of Attorney duly authorizing their representative to attend and vote at the Annual General Meeting.
12. The Certificate from the Auditors of the Company certifying that the Employees Stock Option Scheme of the Company is being implemented in accordance with the Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended from time to time, and in accordance with the resolution of the general meeting will be available for inspection to Members at the forthcoming Annual General Meeting.
13. Members seeking any information relating to the Accounts should write to the CFO of the Company at its Corporate Office at FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai - 400 093, or send an e-mail at info@ftindia.com.

14. Members are requested to bring their copies of Annual Report for the meeting. Members holding shares in physical form are requested to get them dematerialized, as the shares of the Company are traded under compulsory demat system.
15. The Securities and Exchange Board of India (SEBI) has notified that, submission of Permanent Account Number (PAN) is compulsorily required for participating in the securities market, deletion of name of deceased shareholder or transmission/transposition of shares. Members holding shares in dematerialized mode are requested to submit their PAN details to their Depository Participant, whereas members holding shares in physical form are requested to submit the PAN details to the Company's Registrars and Transfer Agents.
16. Re-appointment of Directors: Mr. Ravi Sheth and Mr. C. M. Maniar retire by rotation at the ensuing Annual General Meeting. Both the Directors, being eligible, offer themselves for re-appointment. The information relating to Mr. Ravi Sheth and Mr. C. M. Maniar to be provided in terms of Clause 49 of the Listing Agreement entered into with the stock exchanges is annexed herewith.
17. As per Green Initiative in Corporate Governance initiated by the Ministry of Corporate Affairs, members are requested to register their e-mail address with the Company's Registrar and Share Transfer Agent, M/s. KARVY Computershare Private Limited to receive the Annual Report and other Communication(s) from the Company in electronic mode.

By Order of the Board

sd/-

Naishadh P. Desai

Sr. VP (Legal) & Company Secretary

Place: Mumbai

Date: 30th July 2013

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956:

Item No. 6

The Company seeks the approval of shareholders for payment of commission to the Non-Executive Directors considering their continuous valuable contribution in directing the strategy and growth of the Company, upto 1% of the Company's net profit as calculated under Section 349 and 350 of the Companies Act, 1956, from the financial year 2013-14 onwards to be distributed amongst the Directors as may be decided by the Board from time to time.

Accordingly, the Board commends passing of the resolution as set out at item no.6 of the accompanying notice.

Mr. Ravi Sheth, Mr. Chandrakant Kamdar, Mr. R. Devarajan, Mr. P. R. Barpande and Mr. C. M. Maniar, in their capacity as Non-executive Directors may be deemed to be interested in the Resolution.

Item No. 7 & 8

Issue of ESOP to employees (including employees of Subsidiary Companies) under ESOP Scheme 2013.

Employee Stock Option Plans (ESOP) gives an opportunity to employees to participate in the growth of the Company and is an effective means of recognizing and rewarding the employees. ESOP Schemes enhance retention of employee talent and contribute to the success of the Organization.

As recommended by the Remuneration & Compensation Committee, the Board of Directors (hereinafter referred to as 'the Board') at its meeting held on 30th July 2013 has approved & recommended the Employees Stock Option Scheme 2013 ('the ESOP Scheme - 2013') in accordance with the Employee Stock Option Scheme & Employee Stock Purchase Scheme ('Guidelines') of the Securities and Exchange Board of India (SEBI).

Accordingly, approval of members is being sought to approve ESOP Scheme - 2013.

Disclosures as per Regulation 6.2 of the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended:

Sr. No	Particulars	Disclosures								
1.	Total number of Options to be granted under the scheme	Equity linked instruments (including warrants / options / Restricted Stock Units ("RSU's") and performance options which shall not exceed 9,00,000 (Nine Lakhs) or 2% of the paid up equity share capital (each instrument after it is vested being exercisable for one fully paid-up equity share on payment to the Company at price(s) to be determined in accordance with the Scheme) will be available for being granted to eligible employees and Directors of the Company. In case of bonus & rights issues and split of shares, the aggregate number of stock options would increase in the proportion of bonus & rights and split of shares.								
2.	Identification of classes of employees entitled to participate in the ESOP	All the permanent employees (including employees of the subsidiary companies) who have completed one year (12 months) of service in the Company working in India or out of India and who continues to be an employee upto the date of the grant including the Director(s) of the Company shall be eligible to receive grants under the ESOP Scheme, or as may be determined by the Committee, except the Directors belonging to the promoter group who are not eligible to participate in the ESOP Scheme as per the SEBI Guidelines. The eligibility of any given employee or class of employees for the grant of any option shall be as determined by the Remuneration & Compensation Committee based on such parameters as it may deem fit. The options granted to an employee will not be transferable to any person.								
3.	Vesting, Requirement of vesting and maximum period of Vesting	<p>Vesting shall commence on the expiry of twelve months from the date of grant of stock option(s) and the entitlement to vesting will be in the following manner; or as may be determined by the Committee from time to time.</p> <table border="1" data-bbox="657 1359 1437 1549"> <thead> <tr> <th data-bbox="657 1359 1043 1435">Period of service from the date of grant of Stock Options</th> <th data-bbox="1043 1359 1437 1435">Percentage of stock options that shall vest</th> </tr> </thead> <tbody> <tr> <td data-bbox="657 1435 1043 1477">End of 12 months</td> <td data-bbox="1043 1435 1437 1477">20%</td> </tr> <tr> <td data-bbox="657 1477 1043 1518">End of 24 months</td> <td data-bbox="1043 1477 1437 1518">30%</td> </tr> <tr> <td data-bbox="657 1518 1043 1549">End of 36 months</td> <td data-bbox="1043 1518 1437 1549">50%</td> </tr> </tbody> </table>	Period of service from the date of grant of Stock Options	Percentage of stock options that shall vest	End of 12 months	20%	End of 24 months	30%	End of 36 months	50%
Period of service from the date of grant of Stock Options	Percentage of stock options that shall vest									
End of 12 months	20%									
End of 24 months	30%									
End of 36 months	50%									
4.	Exercise Price of Pricing Formula	The options would be issued at the "Market Price" of the shares, which would be the latest available closing price on the Stock Exchange, which records the highest trading volume in the Company's equity shares on the date prior to the date of the meeting of the Board / Remuneration & Compensation committee at which the options are granted or at such price as may be determined by the Remuneration & Compensation Committee.								

Sr. No	Particulars	Disclosures
5.	Exercise period and process of Exercise	<p>The employees shall after vesting of the options, exercise the options within a period of three months or within such time as may be decided / allowed by the Remuneration & Compensation Committee by making the application and the payment in such manner and on such terms and conditions and on execution of such documents as may be decided by the Board / Remuneration & Compensation Committee.</p> <p>Due to non-exercise or resignation of any employee or for any other reason whatsoever, un-used stock options earmarked under this scheme may be re-issued to the eligible employees of the Company as may be decided by the Remuneration & Compensation Committee.</p>
6.	Appraisal Process	<p>The Remuneration & Compensation Committee will be entitled to select employees in each grade, who shall be eligible for options under ESOP scheme - 2013. The selection will be based on employees performance, exceptional contribution, length of service, present grade and compensation structure, integrity and behaviors and or such other basis as the committee may deem fit.</p>
7.	Maximum number of options to be granted per employee and in aggregate	<p>The maximum number of options to be granted to any employee in any one year shall not exceed 1% of the Issued equity share capital of the Company.</p>
8.	Method of Valuation of options	<p>Intrinsic Value method / or such other method as may be announced / prescribed as per the Guidelines.</p>
9.	Disclosure and Accounting	<p>The Company shall conform to the accounting policies specified in clause 13.1 of Securities and Exchange Board of India (Employee Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines, 1999.</p> <p>In case the Company calculates the Employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of stock options, shall be disclosed in the Directors' Report and also the impact of this difference on profits and on EPS of the Company shall also be disclosed in the Directors' Report.</p>

Approval of members is sought in terms of Section 81(1A) of the Companies Act, 1956 and also in terms of Securities and Exchange Board of India (Employee Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines, 1999 for issue of equity shares of the Company under the Scheme.

All the Directors except Mr. Jignesh Shah, Chairman & Managing Director, Mr. Dewang Neralla and Mr. Manjay Shah, Whole-time Directors of the Company may be deemed to be interested or concerned in the Resolutions to the extent of stock options/equity shares that could be granted / issued to them under the Scheme.

The Board recommends the Resolutions for your approval.

Item no. 9:

The Company continues to explore growth opportunities in domestic/overseas market to establish itself as an International player. The Company is exploring possibilities for acquisition of target companies in domestic/overseas market, to cater to the future growth opportunities, the Company might require additional funds/resources for which an enabling resolution is placed before this meeting for approval. Such funds would be used for meeting the expansion, acquisitions, modernization, infrastructure projects, normal capital expenditure, general corporate purposes and restructuring of debt as per the regulations of the authorities.

The detailed terms and conditions of the issue as and when made will be determined by the Board in consultation with the Lead Managers, Advisors, Underwriters and other experts in accordance with the terms of approval of the Government of India, Reserve Bank of India and such other authorities as may be required.

Section 81 of the Companies Act, 1956 provides inter alia that where it is proposed to increase the subscribed share capital of the Company by allotment of further shares, such further shares should be offered to the persons who at the date of the offer were holders of equity shares of the Company, in proportion to the capital paid up on those shares as of that date unless the shareholders in a General Meeting decide otherwise. Thus the consent of the equity shareholders is sought for authorizing the Board to make the proposed issue of Securities. In the event it is decided to issue securities convertible into equity shares, authorization is also sought for issuing to the holders of such convertible securities in such manner and such number of equity shares on conversion as may be required to be issued in accordance with the terms of issue.

With respect to Qualified Institutions Placement, the Special Resolution also authorizes the Board of Directors of the Company to undertake a Qualified Institutions Placement with Qualified Institutional Buyers (QIBs) in the manner as prescribed under SEBI ICDR Regulations. The pricing of the Securities to be issued to QIBs pursuant to the said SEBI Regulations shall be freely determined subject to such price not being less than the price calculated in accordance with the relevant provisions of the said SEBI Regulations.

The Resolution gives adequate flexibility and discretion to the Board/Committee to finalize the terms of the issue, in consultation with the Lead Managers, Legal Advisors, Underwriters and other Experts or such other Authorities as need to be consulted including in relation to the pricing of the issue which will be a free market pricing and may be at a premium to the market price in accordance with the normal practice. The Resolutions also give powers to the Board/Committee to issue and market the Securities issued pursuant to the domestic/international offer including the power to issue such Securities in such tranche or tranches with/without voting rights.

The Board recommends the Resolution for your approval.

None of the Directors of the Company are concerned or interested in the Resolution.

Item no.10:

FT Projects Limited ("FPL"), presently a wholly owned subsidiary ("WOS") of your Company is mainly carrying on business in infrastructure related activities to cater future expansion plans of the Company. The Board of Directors of your Company has recommended collectively to invest and/or give loan and/or provide guarantee and/or Security upto ₹ 150 crores in FT Projects Ltd. in one or more tranches as and when required.

The Company is in compliance of provision of Section 372A of the Companies Act, 1956 and even though FPL being a WOS of the Company, as a matter of prudence, this is being placed before the shareholders for their approval.

None of the Directors of the Company is deemed to be concerned or interested in the Resolution except Mr. Dewang Neralla, who is the common Director on the Board of both the companies.

By Order of the Board

sd/-

Naishadh P. Desai

Sr. VP (Legal) & Company Secretary

Place: Mumbai

Date: 30th July 2013

**Details of Directors seeking re-appointment at the forthcoming Annual General Meeting
(Pursuant to Clause 49 of the Listing Agreement)**

Directors retiring by rotation, being eligible, offering themselves for re-appointment		
Name of the Director	Mr. Ravi K. Sheth	Mr. C. M. Maniar
Date of Birth	02-04-1961	04-12-1935
Date of appointment on the Board	15-09-1994	15-10-2010
Qualifications	B.Com. MBA (Babson College, Wellesley, USA)	B.Com., L.L.B., M.A. (Economics & Politics)
Expertise	Business experience of over 27 years	Over four decades of experience in Legal Profession, Senior Partner of Crawford Bayley & Co., Solicitors & Advocates.
Directorship held in other companies (excluding foreign and private companies)	Greatship (India) Ltd., The Great Eastern Shipping co. Ltd.,	Multi Commodity Exchange of India Ltd., Foods & Inns Ltd, Godfrey Phillips India Ltd, Gujarat Ambuja Exports Ltd, Hindalco Industries Ltd, Indo-Euro Investment Company Ltd, The Indian Card Clothing Company Ltd, Pioneer Investcorp Ltd, Sudal Industries Ltd, TCPL Packaging Ltd, Varun Shipping Company Ltd, Utkal Alumina International Ltd.
Membership / Chairmanship of committees across public companies	-	Membership: 8
Number of shares held in the Company	24,89,762	Nil



FINANCIAL TECHNOLOGIES (INDIA) LIMITED

Regd. Office: Doshi Towers, 1st Floor, 1A & B, 156, Periyar EVR Salai, Kilpauk, Chennai – 600 010.

Attendance Slip

[To be handed over at the entrance of the meeting hall]

Full name of the Member attending _____
(in block letters)

Full name of the first joint holder _____
(to be filled in, if first named joint holder does not attend the meeting)

Name of the Proxy _____
(to be filled in, if the proxy form has been duly deposited with the company)

I hereby record my presence at the Twenty Fifth Annual General Meeting of the Company to be held on Wednesday, the 25th day of September 2013 at Sri P. Obul Reddy Hall (Vani Mahal), 103, G. N. Chetty Road, T. Nagar, Chennai - 600 017 at 2.00 p.m.

No. of shares held : _____

Regd Folio No. : _____

DP ID/Client ID.* : _____

Members/Proxy Signature
(To be signed at the time of handing over of this slip.)

*Applicable to the members whose shares are held in dematerialized form
Note: Shareholders are requested to bring their copies of Annual Report to the meeting.



FINANCIAL TECHNOLOGIES (INDIA) LIMITED

Regd. Office: Doshi Towers, 1st Floor, 1A & B, 156, Periyar EVR Salai, Kilpauk, Chennai – 600 010.

Proxy Form

I/We _____
of _____ in the district of _____
being a member(s) of the above named Company, hereby appoint Mr./Ms. _____
_____ of _____ in the district of _____
or failing him/her Mr./Ms. _____ of _____
in the district of _____ as my/our proxy to vote for me/us on my/our behalf at the Twenty Fifth Annual General Meeting of the Company to be held on Wednesday, the 25th day of September 2013 at 2.00 p.m. and at any adjournment thereof.

Signed this _____ day of _____, 2013

No. of Shares held : _____

Regd. Folio No. : _____

DP ID/Client ID No* : _____

Affix
15 paise
Revenue
Stamp

Signature

*Applicable to the members whose shares are held in dematerialized form