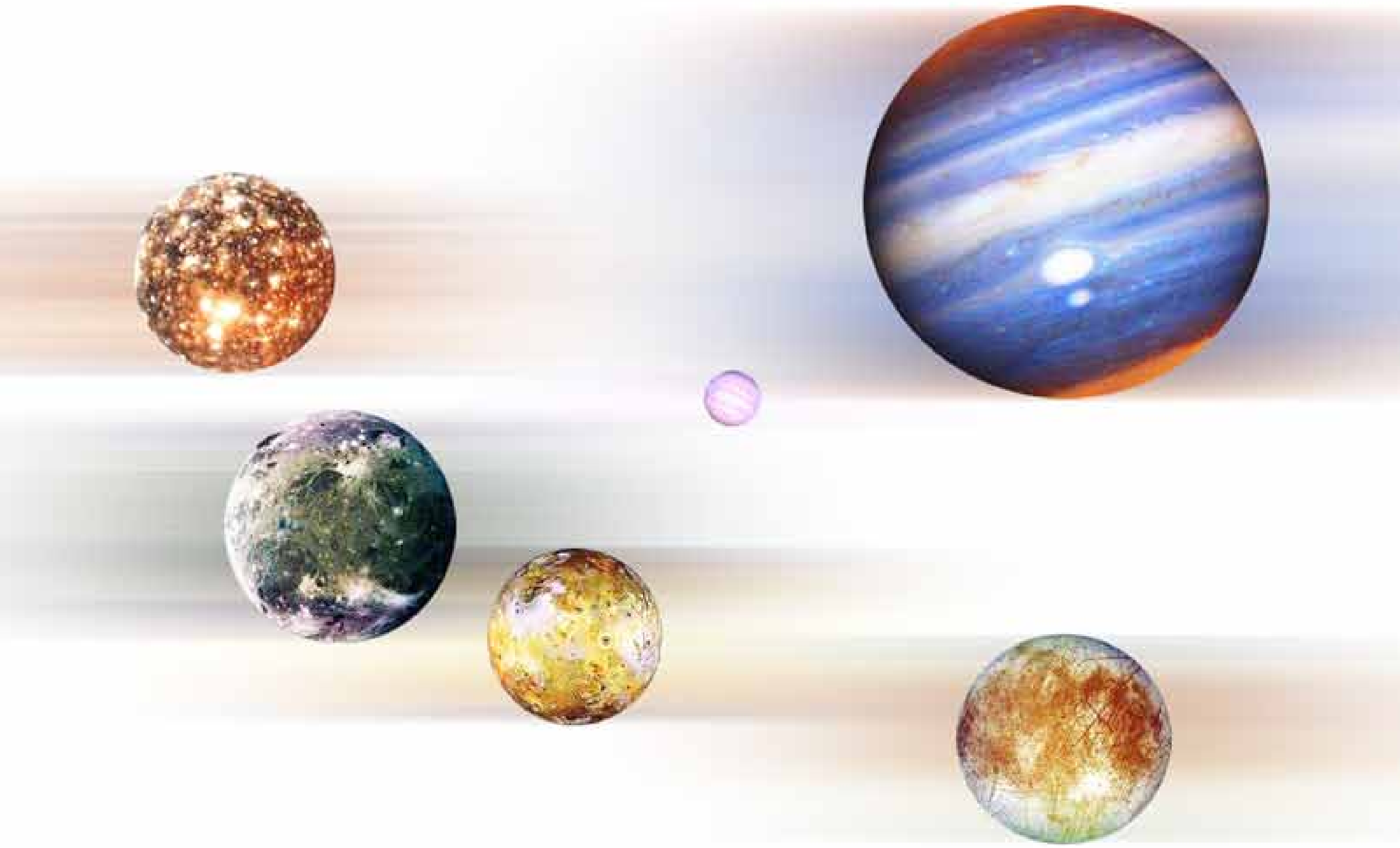
ANNUAL REPORT 2014-15

It's time.



Financial Technologies
Creating Markets. Unlocking Value.™

www.ftindia.com

CORPORATE INFORMATION

Board of Directors

Mr. Venkat Chary (IAS, Retd.)
Chairman,
Independent Non-executive Director

Mr. Jignesh Shah*
Managing Director
*Ceased w.e.f. 20.11.2014

Mr. Dewang Neralla*
Whole-time Director
*Ceased w.e.f. 20.11.2014

Mr. Manjay Shah*
Whole-time Director
*Ceased w.e.f. 20.11.2014

Justice R. J. Kochar (Retd.)
Independent Non-executive Director

Mr. A. Nagarajan (IAS, Retd.)
Independent Non-executive Director

Mr. S. Rajendran
Independent Non-executive Director

Ms. Nisha Dutt***
Independent Non-executive Director

Mr. Anil Singhvi**
Non-Independent and Non-executive Director

Mr. Berjis Desai**
Non-Independent and Non-executive Director

Mr. Sunil Shah***
Non-Independent and Non-executive Director

Mr. Miten Mehta***
Non-Independent and Non-executive Director

Mr. Jigish Sonagara#
Whole-time Director

Mr. Rajendra Mehta#
Whole-time Director

Mr. Prashant Desai##
Managing Director & CEO

**appointed w.e.f. 07.11.2014
***appointed w.e.f. 20.11.2014
#appointed w.e.f. 21.11.2014
##appointed Whole-time Director w.e.f. 07.11.2014 & MD & CEO w.e.f. 21.11.2014

Registered Office

Financial Technologies (India) Ltd.

Shakti Tower-1, 7th Floor, Premises-E, 766,
Anna Salai, Thousand Lights,
Chennai - 600002, Tamilnadu, India.
T: +91 44 4395 0850/51
F: +91 44 4395 0899

Corporate Office

Financial Technologies (India) Ltd.

FT Tower, CTS No. 256 & 257,
Suren Road, Chakala, Andheri (East),
Mumbai - 400 093, Maharashtra, India.
T: +91 22 6686 1010
F: +91 22 6725 0257
info@ftindia.com
www.ftindia.com

Auditors

Deloitte Haskins & Sells LLP

(till 9th June 2014)

Sharp & Tannan Associates

(w.e.f. 25th June 2014)

Share Transfer Agents

Karvy Computershare Private Ltd.

Karvy Selenium Tower B,
Plot No. 31 & 32 Gachibowli,
Financial District, Nanakramguda,
Serilingampally, Hyderabad - 500032,
Telangana, India.
www.karvy.com

Bankers

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

It's time.

For FT 3.0

A new dream. A new vision. A new direction. A new name.

CONTENTS

NEW DIRECTION

63 moons™

the new digital ecology

Jupiter

Revered as the most powerful in ancient civilizations.

Jupiter reflects the power of knowledge and intellect, who bestows power and prosperity. He is considered as the intellect and speech of the Virat Purusha, a seer who wrote one of the hymns of Rig-Veda. He is also known as Brihaspati and is the mentor to the deities (Deva Guru) and leader of the Planets (Ganapati) and presiding deity of mental powers. Legend says wife of Sage Angirasa gave birth to him who is considered as the ruler of the Sun and Moon and controls the movement of the Planets.

In ancient Greek mythology, planet Jupiter is "ZEUS"- the father of the Gods; Romans consider Jupiter as the King of Gods. Egyptians regards it as "Ammon", and Babylonians and Chaldeans call it "Merodach". Jupiter is considered to be the Lord of Righteousness and Justice. It is also the symbol of wisdom.

Jupiter is the largest planet in the solar system with two and a half times the mass of all the other planets combined. It has also the largest number of moons. Most refer to the number of Jupiter moons as 63 with recent discoveries increasing the number. Four of moons, roughly the same size of the earth's moon, are called Galilean Moons since they were discovered by the Italian astronomer Galilio Galilei. These four are Io, Europa, Ganymede and Callisto. This makes Jupiter with the largest number of moons with reasonably secure orbits of any planet in the solar system.

The moons of the Jupiter are so numerous and diverse that reflects the expansiveness of the innovation and thought leadership. The large number of satellites around the Jupiter reflects interplay of ideas and insights. The sheer size is indicative of the leadership that it has among the universe. The attributes of knowledge, wisdom, intellect, teaching, power and prosperity are essential traits that make any institution great and successful.

It is these characteristics and attributes that Financial Technologies would like to further reinforce in its new form with a new name: 63 Moons™.

It will endeavour to play a larger role and assume leadership in the digital ecology that will govern the growth in the future.

OUR CENTER
FOR TECHNOVATION

www.jsinnovationlab.com

JS INNOVATION LAB™

A universe of innovation

on the lines of Bell labs, Google labs and Apple labs

HONORING OUR FOUNDER

JS INNOVATION LAB is named JS in respect of our founder Mr. Jignesh Shah who built FTIL grounds up since 1995.

“TRUE INNOVATION IS MORE AN EXCEPTION THAN A RULE IN INDIA”

a center
that will create IP and
patents. It will inspire, nurture and mentor
IP creators which 63 moons™ will partner to create right
shareholder value by creating right customer value.

a center that will create the maximum societal change via deployment of an ecology of innovation

mass
impact technology

inspire, nurture and
mentor entrepreneurship
and enterprise

true innovation as
opposed to
cut, copy, paste

creating next generation of ‘connected society’ via technology

LETTER FROM CHAIRMAN'S DESK

MAKE IN INDIA- MANTRA FOR THE NEXT DECADE

Ever Keeping in line with the Make in India mantra for indigenous innovation, Indian enterprises would rewrite their paradigm to harness technology and talent, getting India's best to give their best to India.

For more than two decades, the cream of Indian talent has written a new chapter in Global technology, innovation and industry. But, India, as a nation, has basked in this reflected glory as one of the largest consumer bases of multinational giants. A much awaited impetus by the Government, Corporate and skilled professionals is rewriting a new chapter of growth, and India, powered by youth, is prepared for a trajectory of independent, indigenous and innovative progress. We have been blessed with the gift of foresight in identifying and implementing benchmarks that set new superlatives in the financial markets and have become models of democratization. We wrote financial history in trading through our path-breaking technology, laid and nurtured the foundation for the multi-asset markets in India, and, after etching a golden past in India's business arena, we now are poised to write the future.

THE YEAR THAT WAS

Unjust persecution from vested forces had us force-exit businesses we cultivated and we continue to exercise every legal recourse at our disposal hoping that the truth of our victimization will finally prevail. We have held our stead with aplomb, consolidating and sustaining our position. When the going gets tough, the tough get going, and it's a matter of time before we redeem ourselves.

VISION 2025. USHERING IN E-SWADESHI

With our sight firmly set on the surge ahead and the task at hand, we would chart our future journey under the sail of '63 moons™', a new proposed name that symbolizes endless possibilities, positivity and perpetuity. This renaming takes inspiration from the largest known ecosystem in the universe- that of the planet Jupiter and its 63 Moons. The discovery of each of these moons has intrigued mankind with the presence of water, hydrocarbons and oxygen- the basic blocks of life. This echoes the expanse of our aspiration, which will make every effort to turn it into a reality.

We want not just financial markets, but our endeavour is to be with every technology-based industry in India to benefit from our ingrained expertise. We now aim at becoming the de facto 'powered by' technology partner of choice to create and develop an ecosystem of 108 new Indian Digital Disruptors in key sectors such as Retail, Education, Healthcare, Agriculture, Environment, Infrastructure and Space, among others, over the next 10 years by 2025.

With this vision, our board of directors has decided to constitute the JS Innovation Lab as centre for 'technovation'. The name 'JS Innovation Lab' has been chosen to raise a toast to the person who innovated and created a new ecosystem in the finance markets of India, a self-made man who created a revolution on his own. Keeping in line with the trend worldwide, JS Innovation Lab is on the lines of Bell Labs, Google Labs and Apple. The exploration of IP will be on the building blocks of Internet of Things (IOT), Artificial Intelligence, Speech Recognition, Behavioural Science including Predictive and Real Time Data Analytics, SMAC and 4G. JS Innovation Lab a center that will create IP and

patents. It will inspire, nurture and mentor IP creators which 63 moons™ will partner to create right shareholder value by creating right customer value.

63 moons™ will commercialize the IP created at JS Innovation Lab. With the JS Innovation Lab as our crown-jewel, it's time for us to transit from our orbit of a finance-vertical-led business to the next orbit of '63 moons™' as an innovation and technology-led enterprise that would accelerate 'technovation' in the market-space.

It is a new beginning for us in another sense that our Chairman Emeritus Mr. Jignesh Shah has also agreed to the Board's request to continue as our Chief Mentor@ JS Innovation Lab and guide, lending 63 moons™ his spark from the heyday of FTIL. In addition, FTIL's founder partners, Mr. Ghanshyam Rohira and Mr. Dewang Neralla as also Dr. Bandi Ram Prasad and Mr. Miten Mehta from Silicon Valley would also lend their insights and magic that propelled us to the zenith two decades ago.

With a sense of déjà vu and anticipation, the 63 moons™ family has grown closer and stronger. Our esteemed stakeholders have been a part of this journey, and we welcome them to our golden dream of the future.

VENKAT CHARY
Chairman, Independent Non-executive Director

VENKAT CHARY

Chairman,
Independent Non-executive Director

Dear Shareholders,

Your company continues to weather the toughest period it has seen since its inception. We feel defeated and sad at the velocity with which we are attacked. Executive orders and fiats are being used against your company for an accident that happened in a subsidiary, which has its own legal standing and identity. We continue to deliver on our responsibility to our 63,000+ shareholders. We will co-operate with every agency in the country. We will also legally challenge all and every allegation against us with all our might. Against all odds, your company continues to believe in the democratic fabric in which our country is built and reposes highest faith in India's judiciary.

"We continue to deliver on our responsibility to our 63,000+ shareholders."

History will always remember FTIL 1.0 and 2.0 for its contributions to the growth of Indian Financial and Commodity Markets. One day truth will get established about the loss to the financial ecosystem caused by vested interests in eliminating FTIL from financial and commodity sector by unfair means.

We have however decided that we will not get bogged down. And we will rise and bounce back even more strongly. We owe it to our shareholders. We see a new India emerging that will play a decisive role in shaping the digital tomorrow of the world. We believe in the digital vision of our Prime Minister Shri Narendra Modi and we will play a critical role.

Your company has decided. We are moving ahead.

With our feet on the ground and balanced mind we have set our vision to partner 108 new Digital Giants over the next 10 years where we believe that India is poised to have 10,000 digital brands compared to 100,000 new digital brands built by China in the past 10 years.

With a strong balance sheet, infrastructure and talent, we see ourselves playing an important role in the digital market by creating a digital ecology that will support the expected revolutionary growth of the digital space from USD 15 billion currently to USD 300 billion in the next ten years.

We have also decided that it's time to change our name that reflects the new vision of FTIL. 63 moons™ technologies ltd., is the name that we propose (subject to necessary approvals) FTIL to carry henceforth as its brand in the journey to a world of new opportunities. For the name we drew the inspiration from the 63 moons of Jupiter, the most powerful planet in the universe that stands for knowledge, wisdom, foresight and above all growth and prosperity. For over 5000 years, science considered 63 moons of Jupiter as the largest orbital ecology for any planet, a record that holds even today though a number of new moons have been discovered. This echoes the expanse of our aspiration, which will make every effort to turn it into a reality.

We are excited.

Technology, innovation and enterprise is the DNA through which we built FT 1.0 (OMS) and FT 2.0 (exchanges, exchange technology and exchange ecosystem). Technology will continue to be the centre stone of 63 moons™. We will build highly innovative IP that will fuel the dreams of digital entrepreneurs and create competitive advantage for them. We will selectively partner and collaborate with 108 such digital ventures.

In this endeavour we look forward to the guidance, cooperation and support of the government, development agencies, financial institutions and banks, and you all as shareholders, to realize our collective dream of creating businesses that can contribute to the strength of India.

I take this opportunity to thank every shareholder of FTIL for their patience and conviction and standing by your company in its toughest period. We won't let you down.

PRASHANT DESAI
Managing Director & CEO

PRASHANT DESAI
Managing Director & CEO

BOARD OF DIRECTORS

VENKAT CHARY (IAS, Retd.)

Independent Non-executive Director

Mr. Venkat Chary is the Chairman - Independent Non-executive Director of Financial Technologies (India) Ltd. for the last 10 years, he was the Non - executive, Independent Director and Chairman, Multi Commodity Exchange (MCX), India's No.1 commodity futures Exchange and the very first Exchange in India to be listed on a stock exchange. Since 2008, he is the first Chairman, Indian Energy Exchange (IEX), India's 1st power Exchange with 97% market share, Chairman, Bourse Africa, Mauritius, Africa's first multi-asset Exchange (Mauritius being a country where both English and French are languages of habitual use), and former Member, Advisory Board, MCX Stock Exchange (MCX-SX), India's latest full-fledged national-level stock exchange and leading currency derivatives' exchange.

Earlier he was a member of the Indian Administrative Service (IAS), while in the IAS, he was the Secretary, Maharashtra State Electricity Board, General Manager, Bombay Electric Supply &Transport Undertaking (BEST), Divisional Commissioner (Bombay and Konkan), Municipal Commissioner, Greater Mumbai Municipal Corporation, Joint Secretary & Industries Commissioner, Maharashtra, Secretary to the Chief Minister of Maharashtra, Finance Secretary (he assisted five Finance Ministers to finalize five Annual and Interim Budgets), Planning Secretary, Home Secretary and officiating Chief Secretary of Government of Maharashtra, in Mumbai. He was Chairman, Forward Markets Commission, the country's commodity regulator and Deputy Director of the prestigious Lal Bahadur Shastri National Academy of Administration, Mussoorie, Government of India, and post-retirement, Member, Maharashtra Electricity Regulatory Commission, the State's electricity regulator. During his career in the IAS, Mr. Chary has also been Chairman, Vice-Chairman, MD and CEO, and Government director on as many as 15 Central and State Government public sector companies.

Mr. Chary is a past student of R.A. Podar College of Commerce & Economics, University of Bombay, having done his Bachelor of Commerce degree with first class honors in 1959 and his Master of Commerce degree, specializing in Cost Accounting in 1961. He was appointed a Fellow of the College and was later part-time Lecturer in Statistics and Inland Trade in Podar College, before he took the all-India competitive examination and was selected for the IFS/IAS. While working with the Government of India, Cabinet Secretariat, in New Delhi, Mr. Chary was deputed in 1972 for doing a post-graduate Diploma in Economics and Finance at the 'Ecole National d'Administration' or ENA, the elite training institutions for French senior civil servants. In 1978-79, he did another specialized course on International Economic Relations at the same institution.

Mr. Chary is a Governor's nominee on the Indian Red Cross Society (Maharashtra Chapter), is Member of the Advisory Board of 'One India One People Foundation' (the Foundation brings out a niche monthly magazine and conducts constructive activities for school students), and is Member of the Directing Committee for the grant of the prestigious Jamnalal Bajaj Awards. He is past-president, Indo-French Technical Association, consisting of engineers, scientists (including nuclear scientists), finance experts, etc., who have either studied or worked in France.

Mr. Chary also has a law degree and was a student of the prestigious Government Law College, Bombay, and he practices law as an Advocate in the Bombay High Court. He is empanelled with the Indo-French Centre for Mediation and Arbitration, Lyon France, and can mediate in disputes between Indian and French enterprises.

PRASHANT DESAI,

Managing Director & CEO

Mr. Prashant Desai is an Associate Chartered Accountant. He is 4th ranker Graduate in Cost & Work Accountant (all India 4th). He has over 20 years of rich experience.

Prior to joining FTIL, he was the founder of Seagull IR Solutions Pvt. Ltd., one of India's leading Investor Relations Companies, which represented various companies like FT, Pipavav Defense, Phoenix Mills, Talwalkars, Provogue, Prozone CSC, Everstone, Dhunseri Petrochem, DQ Entertainment and Supreme Infrastructure among others.

Prior to that he worked closely with Mr. Kishore Biyani in Future Group in areas of strategy, capital raising and investor relations raising several rounds of equity for Pantaloon and its subsidiaries. His last assignment was Head of Investment, Future Consumer Enterprises Limited. During his tenure he invested in businesses like Capital Foods, BIBA, AND, Turtle, Godrej Agrovet and IndusTree Crafts, among others. He was also the Board Member in Pantaloons Talwalkars, Future Staples, Future E-Commerce, Pan-India Foods and Industree Crafts Limited.

Prior to that, he worked closely with Rakesh Jhunjhunwala, a veteran investor in India in Rare Enterprises.

Currently, he is MD and CEO of FTIL. Before the elevation, he was President and WTD, Mergers & Acquisition and Investor Relations. He also represents FTIL on the Boards of Dubai Gold & Commodity Exchange, Bourse Africa, Mauritius and Bahrain Financial Exchange, Bahrain.

BERJIS DESAI,

Non-independent Non-executive Director

Mr. Berjis Desai, Solicitor & Advocate, has been the Managing Partner of J. Sagar Associates, a national law firm with more than 325 lawyers, since April 2003. Mr. Desai specializes in financial and international business laws and international commercial arbitration. Mr. Desai is also a Director of leading companies including The Great Eastern Shipping Company Limited, Praj Industries Limited, Emcure Pharmaceuticals Limited, Edelweiss Financial Services Limited and Adani Enterprises Limited.

Mr. Desai is a law graduate from the Mumbai University and a post-graduate in law from Cambridge University, U.K

ANIL SINGHVI,

Non-independent Non-executive Director

Mr. Anil Singhvi (54) is Chairman of Ican Investments Advisors Pvt Ltd. Mr. Singhvi, a Chartered Accountant, has over 30 years of experience in Corporate sector, out of which he spent 22 years spent with Ambuja Cements Ltd, where he rose from Manager to Managing Director & CEO. He played a defining role in making of Ambuja Cements. Company grew from less than one million to 20 million tonnes by organic and inorganic strategies. He played the pivotal role in sale of Ambuja & ACC to Holcim in transaction value of over $2 billion. In 2011, Mr. Singhvi conceptualized and advised merger of Enam, one of the largest investment banks in India, with Axis Bank, a deal involving around US$ 500 million. In 2012 he founded IIAS (Institutional Investor Advisory Services India Ltd), proxy advisory company for Institutional Investors. This is a pioneering effort in India for improving Corporate Governance and accountability of the Corporates. IIAS covers over 300 large Indian Corporates and advises Investors on the issues of corporate governance and voting. Apart from being Corporate & PE Advisor, he is also on Board of various companies viz. are Hindustan Construction Co. Ltd, Capital First Ltd, Subex Ltd, Greatship (India) Limited, Lavasa Corporation Ltd.

S. RAJENDRAN,

Independent Non-executive Director

Mr. S. Rajendran, is a post graduate in Commerce and a CAIIB, with more than 36 years of rich experience as a senior banking professional and multi-functional experience covering most areas of commercial banking and Enterprise-wise Risk Management in particular including guiding banks on moving to Advanced Approaches. He has extensive experience in Corporate Credit, Treasury and Investment Management, International Banking, Overseas Expansion, Skill Development and Training, Business Development, Branch banking set-up and operations and Customer Relationship Management, Internal controls, Regulatory Compliance and Audits and Training, Research and Knowledge Management.

A. NAGARAJAN (IAS, Retd.)

Independent Non-executive Director

Mr. A Nagarajan, I.A.S. (Retd.) is a former Special Chief Secretary and Development Commissioner to the Government of Tamilnadu. During his career span Mr. Nagarajan was associated with various institutions / Government bodies / Corporations inter-alia Housing & Urban Development Dept., Tamilnadu Powerfin Development Corporation Ltd., Tamilnadu Industrial Investment Corporation Ltd. He was also former Special Commissioner of Treasuries and Accounts, Member Secretary of State Planning Commission, Additionally Secretary, Industries - Government. of Tamilnadu, Commissioner - Regional Provident Fund, Chennai, Executive Director - National Seeds Corporation.

JUSTICE R.J. KOCHAR (Retd.)

Independent Non-executive Director

Justice R.J. Kochar, former Judge, Bombay High Court, retired in October 2003 with an immaculate and impeccable track record of transparent and bright judicial career of over 30 years in legal fraternity. He is a founder Member of the reputed Labour Law Journal viz Current Labour Reports, Bombay, and has delivered a number of reported Judgments on several issues – Civil and Industrial. He has written number of articles and contributed to several Law Journals including the AIR, Current Labour Reports, Indian Factories Labour Reports and also in reputed Marathi periodicals and dailies. He currently does arbitration work as assigned by the High Court and various parties.

NISHA DUTT,

Independent Non-executive Director

Nisha Dutt has spent over a decade in consulting across both mainstream and development projects in over dozen countries. She has a keen understanding of markets and consumer behavior at the base of the pyramid, and works on addressing a range of challenges for clients across inclusive business divisions, international foundations and development finance institutions. Nisha has an astute sensitivity for creating successful roadmaps into low-income markets, and has been able to deploy both traditional and cutting edge technology-driven solutions with a firm focus on the triple bottom line for her clients.

Nisha holds an M.S. and MBA degrees from Oklahoma State University and Ohio University respectively.

SUNIL SHAH,

Non-Independent Non-Executive Director

Mr. Sunil Shah is the Managing Director of Motivation Engineers and Infrastructure Pvt. Ltd. He is also one of the trustees of Ankur School Trust. He serves as Chairman of Vibrant Motivation and Development Foundation and Advisory Board of Vedic-Vocational and Educational Development Institute of Calorax. Mr. Shah serves as Advisor to esteemed organizations i.e. E-MBA programme of Ahmedabad University and MBA Programme of Kalol Institute of Technology, as well as Government Polytechnic for Girls, Ahmedabad. He has penchant for delivering lectures at Oxford University UK, NID Ahmedabad among other well-known institutions.

His vision and inspiration become a seed to create Gujarat Innovation Society to facilitate the culture of “innovation” amongst MSMEs and Post-Graduate students of professional courses.

MITEN MEHTA,

Non-independent Non-Executive Director

Mr. Miten Mehta is a specialist in technology start-up and finance domain with over 20 years of experience across geographies i.e. the US, Europe & India. His proven P&L leadership has led to successful scaling of businesses, delivering consistent growth, driving seamless innovation and creating enduring value for customers in fast growing hyper-competitive markets. He has built and exited three successful start-ups including two in Silicon Valley (California, US) and another in London (UK).

Mr. Mehta is passionate about mentoring and investing in start-ups that leverage Social, Mobile, Analytics, & Cloud (SMAC) for creating tangible values in order to bring forth social impact across educational and healthcare domains. He is member of TiE, Mumbai Angels and CodeForIndia among several other NGOs in the realm of entrepreneurship and ecosystem ventures.

He is a frequent speaker at industry events/conferences that encourage youth to believe in their ideas to start their dream ventures.

He served as President (New Ventures & Ecosystem Platform) under Strategic Initiatives department at FTIL. He is also the co-founder of KloudData in Silicon Valley. As he decided to start his own consultancy firm, he resigned from FTIL and consented to join the Board of FTIL w.e.f. November 20, 2014, as Non-Independent Non-executive Director.

JIGISH SONAGARA,

Whole-time Director

Mr. Jigish Sonagara is a leading Trading Transaction Technology Specialist, with over 14 years of professional experience in implementing automation for all aspects of Trading Transaction Technologies for Broker to Exchanges. Mr. Sonagara has strong functional, technical and operational expertise in diverse trading market verticals viz. Equity, Commodity, Currency, Fixed Income and Power, and has spearheaded and provided complete exchange solutions to various exchanges across the globe including Singapore Mercantile Exchange (SMX), in Singapore, Bourse Africa in Mauritius, Bahrain Financial Exchange (BFX) in Bahrain, Bourse Africa in Botswana; and Multi Commodity Exchange (MCX), MCX-Stock Exchange (MCX-SX) and Indian Energy Exchange (IEX) in India.

Mr. Sonagara currently heads the New Ventures, a division of FTIL, to see through vision of ‘Digital India @ 2025’ as part of FT 3.0.

RAJENDRA MEHTA,

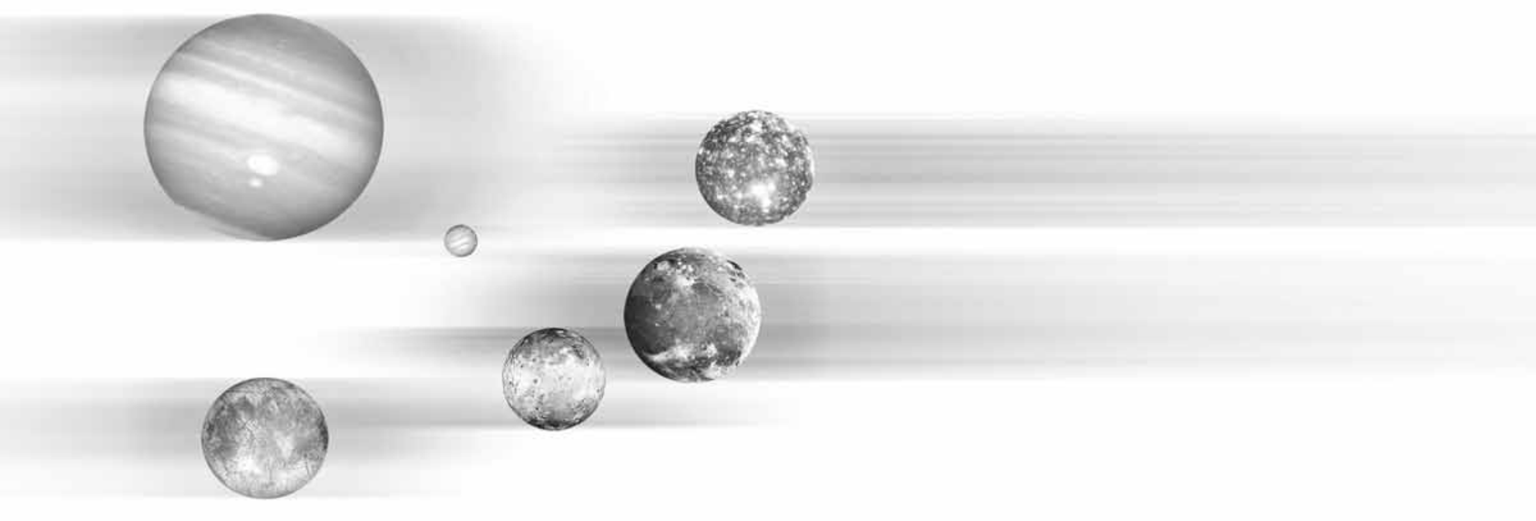
Whole-time Director

Mr. Rajendra Mehta, a Chartered Accountant, has over 22 years of professional experience in Capital Market, particularly in Stock Broking and Investment Banking. He is a Market & Operations expert, with significant understanding of market mechanics and regulatory perspectives. Prior to joining Financial Technologies (India) Limited (FTIL), he was working with CLSA India for both broking and investment business as Chief Operating Officer and Whole Time Director, where he was part of the Executive Management Team. His responsibilities included providing support for deal structuring and closure.

Mr. Mehta has represented the company in compliance and settlement meetings at the industry level as well as before the regulatory authorities.

Mr. Mehta, currently, looks after a suite of products catering to Member Technology, banking and banking regulatory solutions viz. ODIN, Match, STP, RiskCalculator, Treasury Back-office, ARISC, and Data Collector Solution, among others.

Directors' Report



DIRECTORS' REPORT

To,

The Members,

Your Directors present the Twenty Seventh Annual Report of your Company together with the Audited Statement of Accounts for the year ended March 31, 2015.

FINANCIAL PERFORMANCE

Your Directors would like to inform you that because of the events occurred at National Spot Exchange Limited (NSEL) during the previous year, audit of NSEL Consolidated Financial Statements for the year ended March 31, 2013 (as amended) and for the year ended March 31, 2014 were delayed due to which the audited consolidated financial statements of the Company for the year ended March 31, 2013 (as amended) and for the year ended March 31, 2014 could not finalized on time. Since now Consolidated Financial Statement of NSEL are available, the Consolidated Financial Statements of your Company have been finalized and audited for the year ended March 31, 2013 (as amended), for the year ended March 31, 2014 and for the year ended March 31, 2015.

Financial Results standalone and Consolidated

(₹ in lacs, except per share data)

Particulars	Standalone		Consolidated		
	Current Year 2014-15	**Previous Year 2013-14**	**Current Year 2014-15**	**Previous Year 2013-14**	**Previous Year (as amended) 2012-13**
Total Income	60,368.01	54,126.66	38,246.07	70,949.59	95,138.66
Total Operating expenditure	27,471.95	24,881.27	47,466.15	67,903.17	62,697.22
EBITDA	**32,896.06**	**29,245.39**	**(9,220.08)**	**3,046.42**	**32,441.44**
Finance costs	2,266.12	3,053.82	2,634.17	8,176.96	9,799.95
Depreciation/amortization	3,905.73	3,074.86	4,496.14	4,295.84	3,268.15
Profit / (Loss) before exceptional item and tax	**26,724.21**	**23,116.71**	**(16,350.39)**	**(9,426.38)**	**19,373.34**
Exceptional Item	24,282.09	(41,152.11)	65,631.14	94,436.33	-
Profit / (Loss) before tax	**51,006.30**	**(18,035.40)**	**49,280.75**	**85,009.95**	**19,373.34**
Provision for taxation	6,492.42	4,819.45	6,648.20	4,846.76	12,469.37
Profit after Tax/Net Profit for the year	44,513.88	(22,854.85)	42,632.55	80,163.19	6,903.97
Add: Net share of profit in associates			(0.12)	6,347.53	10,097.89
Add: Net minority interest in profit of subsidiaries			39.25	440.03	339.61
Profit after Tax/Net Profit for the year	**44,513.88**	**(22,854.85)**	**42,671.68**	**86,950.75**	**17,341.47**
Add: Balance brought forward from previous year	177,089.54	204,257.15	181,799.93	100,592.88	90,900.50
Balance available for appropriation	221,603.42	181,402.30	224,471.61	187,543.63	108,241.97
Appropriations					
Final dividend (proposed)	2,303.93	921.57	2,303.93	921.57	921.57
Interim dividend	5,529.42	2,764.71	5,529.42	2,764.71	2,764.71
Tax on dividend	469.03	626.48	469.03	626.48	616.92
Transfer to General reserve			-	-	3,253.00
Change in JV holding			-	1,419.82	-
Transfer to Statutory Reserve			-	11.11	8.24
Transfer to Security Guarantee Fund			-	-	84.66
Transfer from General Reserve			(14,421.70)	-	-
Balance carried forward to Balance Sheet	213,301.04	177,089.54	230,590.94	181,799.93	100,592.88
Earnings per share					
Basic	96.60	(49.60)	92.61	188.70	37.63
Diluted	96.30	(49.60)	92.31	188.09	36.79

RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

Standalone Financials:

- Revenue from operations for the year ended March 31, 2015 was at ₹ 16,103.11 lacs as compared to ₹ 33,471.49 for the year ended March 31, 2014.
- During the year, profit under exceptional items was ₹ 24,282.09 lacs compared to loss of ₹ 41,152.11 lacs in previous year. This includes (a) gain of ₹ 98,789.50 lacs on sale of investments in shares (net of expenses) including shares in MCX, NBHC and MCX-SX (b) provision for other than temporary diminution in the value of investments and loss on account of capital reduction in the investments of subsidiaries ₹ 73,226.82 lacs and (c) provision of ₹ 1,280.59 lacs towards doubtful loans and advances to and trade receivable from subsidiaries.
- Your Company has reported profit before finance cost, depreciation, exceptional items and tax of ₹ 32,896.06 lacs for year ended March 31, 2015, compared to ₹ 29,245.39 lacs in the previous year.
- Your Company has reported net profit after tax of ₹ 44,513.88 lacs for the year ended March 31, 2015 as compared to loss of ₹ 22,854.85 lacs in the previous year.

Consolidated Financials

The consolidated Net Profit for the year ended March 31, 2015 was at ₹ 42,671.68 lacs against ₹ 86,950.75 lacs in the previous year ended March 31, 2014 and ₹ 17,341.47 lacs in the year ended March 31, 2013. Shareholders' funds as at the year ended March 31, 2015 was at ₹ 292,827.18 lacs as against ₹ 256,087.69 lacs as at March 31, 2014 and ₹ 176,289.99 lacs as at March 31, 2013.

BUSINESS OVERVIEW: FISCAL YEAR 2014-15

The year gone by has been challenging for your Company with the several legal cases due to the crisis at NSEL's trading platform. Your Company has the highest regard and faith in the Indian judiciary and continues to provide all assistance to every statutory authority in the country. Your Company is confident that truth will prevail and it will come out of the crisis soon. The crisis at NSEL's trading platform has had an adverse impact due to the various regulators declaring your Company "not fit & proper" to hold shares in an exchange which has been challenged before Hon'ble Bombay High Court and at various forums. Without prejudice to its legal rights and remedies, your Company has taken a decision to exit its investments in Exchange ventures both in India and globally. The exit of its investments in exchanges and low volume on the respective exchange has adversely impacted the revenue from Exchange technology on the one hand, but on the other hand, there is increase in income from disinvestments and thereby increase in cash reserves.

Technology Business:

During the year, your Company re-negotiated the technology contract with MCX and Metropolitan Stock Exchange (formerly MCX-SX) and due to low volume on the respective exchange, the revenue of your Company was impacted. However, it is observed that during the past six months, the volume has picked up on the exchanges and recent announcement of making FT 3.0 the de facto 'powered by' technology augurs well for the future.

Divestments:

Without prejudice to its legal rights and remedies, your Company has successfully completed the divestments of its holdings in National Bulk Handling Corporation Limited (NBHC), Multi Commodity Exchange of India Limited (MCX) and Metropolitan Stock Exchange of India Limited (MSEI). In addition, your Company has entered into a definitive agreement to sell its entire stake in Bourse Africa Limited (BAL) and is in the process of selling its entire investment in Indian Energy Exchange Limited (IEX) alongwith an irrevocable, companywide, fully paid up, perpetual, non-encumbered, non-transferable, non-assignable, license of the PowerARMS Software installed in India, for internal use to IEX.

Business Outlook:

Your Company is going through challenging times as it tries to reinvent itself into a pure play technology Company. Post the crisis at NSEL trading platform, your Company has decided to grow on its core strength – innovation through technology. Your Company continues to be a market leader in the Member Technology business in India through its flagship product ODIN. On the Exchange Technology Business, your Company continues to provide technology to market leaders in its space such as MCX, MCX-SX and IEX etc.

Member Technology Business has witnessed a challenging year in 2014-15 in wake of the crisis at NSEL. However, the business is stabilizing and the Company expects business environment to improve in the coming years. With the upturn in the economy and favorable policy environment, Indian Capital markets are positioned for strong growth in the coming years. Your Company is well positioned to take advantage of the growth in the capital markets through its Member Technology Business.

Without prejudice to its legal rights and remedies, your Company took a strategic decision to exit the exchange/ regulated businesses both in India and around the world in light of the crisis at NSEL's trading platform. Since, the Exchange Technology Business was primarily catering to the exchanges seeded and nurtured by your Company, it became imperative for your company to restructure the business as a pure play technology service provider as it divested its stake in various exchanges. Your Company continues to provide technology to MCX, MCX-SX and IEX etc. in spite of divesting its stake in the respective companies.

Your Company believes that it can become a significant player in this space, given its proven pedigree in this space and relatively few players in the space.

New Vision and change of name:

The Board of Directors of the Company at its meeting held on August 08, 2015 have in-principle approved the change in name of the Company from "Financial Technologies (India) Limited" (FTIL) to "63 moons technologies limited" (63 moons). The said approval by the Board is subject to the approval by the Registrar of Companies, Chennai and the shareholders of the Company.

In the near past, your Company has exited its investments in financial exchanges and now in the revised context, your Company would be more focused on non-financial verticals like e-commerce, digital education, life science, sports and many others.

In November 2014, the Company had announced its founder's vision of "Digital India @ 2025", the engine driving the transformation of FTIL into making FT 3.0 the de facto 'powered by' technology partner of choice to create and develop digital ecology leveraging SMAC (Social Media Analytic and Cloud) technology stack. Hence it is imperative to give the Company a new name and identity that reflects the genesis of its business and the next phase of growth.

Jupiter, revered as the most powerful in ancient civilization is known to have 63 moons. 63 moons will endeavor to partner several emerging new-tech companies/innovations and start-ups in the sectors like e-commerce, digital education, sports, life sciences, and others. It is our endeavor to play a larger role and assume leadership in the digital ecology that will govern the growth of the future. 63 moons reflect the new FTIL.

The Company, as the Applicant/Owner, has already made applications in various classes for registration of Trade Mark "63 moons The new digital ecology".

Further details on the above are covered elsewhere in this report.

Legal matters

In the wake of the crisis at NSEL, your Company has been made a party to several litigations over the last two years. Further, the Ministry of Corporate Affairs issued a draft order dated October 21, 2014 for amalgamation of your Company with NSEL under section 396 of Companies Act, 1956 and also filed a petition with Company Law Board under section 397 of Companies Act, 1956 seeking removal and supersession of the Board of your Company. Your Company has opposed the draft order for merger and has challenged the petition for removal and supersession of the Board in the Company Law Board. Your Company continues to defend itself in various other litigations filed against it. An interim order has been passed by the Company Law Board directing your Company not to sell/alienate or create third party rights in respect of its assets and investments. Your Company has challenged this interim order in the Hon'ble Madras High Court which has suspended the interim order save and except in respect of immovable properties of your Company.

The Economic Offences Wing ("EOW") had issued a letter to your Company inter alia restraining / restricting your Company from dealing with its assets. The Hon'ble Bombay High Court has granted a stay in respect of the direction of EOW in respect of the restraint / restriction on the dealing of assets.

No material changes and commitments have occurred after the close of the financial year till the date of this Report, which significantly affects the financial position of the Company.

Explanation to the Qualifications in Auditor Report

Standalone Financial Statements:

Audit Report on standalone financial statements:-

The Management explanation for qualification made by the Statutory Auditors in their Independent Auditors Report dated May 22, 2015 on the Standalone Financial Statements for the year ended March 31, 2015 is as under:

With respect to qualification regarding Writ Petitions, Public Interest Litigations, Civil Suits which have been filed against the Company in relation to the NSEL event, wherein the Company has been made a party in the Writ Petitions and Civil Suits, these matters are pending before the Hon'ble Bombay High Court for adjudication. The Company has denied all the claims and contentions in its reply. There is no privity of contract between FTIL and the Petitioners. Based on legal advice, the management is of the view that the parties who have filed the WP, PIL and Civil Suits would not be able to sustain any claim against the Company. With respect to mention of First Information Reports in the same qualification, which are registered against various parties including the Company with the Economic Offences Wing of the Mumbai Police, Central Bureau of Investigation and MIDC, Police Station, Mumbai District, EOW has filed charge-sheets on January 06, 2014, June 04, 2014 and August 04, 2014 after investigation. It is pertinent to note that so far the Company has not been named in the said charge-sheets. EOW investigation is in progress.

Consolidated Financial Statements:

Audit Report on consolidated financial statements:-

The Management explanation for qualifications made by the Statutory Auditors in their Independent Auditors Report dated May 22, 2015 on the Consolidated Financial Statements for the year ended March 31, 2015 are as under:

1. With respect to item no. 1 which pertains to the Company regarding Writ Petitions, Public Interest Litigations, Civil Suits which have been filed against the Company in relation to the NSEL event, wherein the Company has been made a party in the Writ Petitions and Civil Suits, these matters are pending before the Hon'ble Bombay High Court for adjudication. The Company has denied all the claims and contentions in its reply. There is no privity of contract between FTIL and the Petitioners. Based on legal advice, the management is of the view that the parties who have filed the WP, PIL and Civil Suits would not be able to sustain any claim against the Company. With respect to mention of First Information Reports in the same qualification, which are registered against various parties including the Company with the Economic Offences Wing of the

Mumbai Police, Central Bureau of Investigation and MIDC, Police Station, Mumbai District, EOW has filed charge-sheets on January 06, 2014, June 04, 2014 and August 04, 2014 after investigation. It is pertinent to note that so far the Company has not been named in the said charge-sheets. EOW investigation is in progress.

2. With respect to item no. 2 which are pertaining to the qualifications made by the Statutory Auditors of a subsidiary viz National Spot Exchange Limited (NSEL) in their Independent Auditors Report on its Consolidated Financial Statements for the year ended March 31, 2015 which has been reproduced by the Statutory Auditors of the Company in their Independent Auditors Report (Auditors Report) dated May 22, 2015 on the Consolidated Financial Statements for the year ended March 31, 2015, the explanation given by the directors' of NSEL and its subsidiary "Indian Bullion Market Association Limited" (IBMA) are as under:

Qualification 2(a) in Auditors Report:

"As stated in note no. 53 of the Consolidated Financial Statements pertaining to the issue of warehousing receipts and as per the explanations given by the Management, investigating agencies are investigating genuineness of the warehouse receipt issued by the Company. Its impact on financial statements, if any, can be ascertained only after investigations are concluded and order obtained from the court. Enforcement Directorate (ED) has applied provision of Prevention of Money Laundering Act, 2002 (PMLA) on defaulting members and the Company. Investigations are in progress as on the date of the Audit Report. In case of any adverse findings against the Company, the same may have an effect on the financial position of one or more financial years." [Refer note 68 of the consolidated financial statements of the FTIL Group]

Management response:

Investigating agencies are investigating genuineness of the warehouse receipts issued by the Exchange as well as the frauds perpetrated by the erstwhile senior officials of the Exchange. Impact on financials, if any, can be ascertained only after investigations are concluded and orders are obtained from Court.

Qualification 2(b) in Auditors Report:

"As stated in note no. 56 read with note no. 1 to the Consolidated Financial Statements which refers to the matter pertaining to regulatory framework for Spot Exchange and related compliance issues with respect to the Exemption Notification No. S.O. 906(E) dated June 5, 2007 (issued by the Department of Consumer Affairs, Ministry of Consumer Affairs, Food and Public Distribution, Government of India, under section 27 of the Forward Contracts (Regulation) Act, 1952). The doubts have been raised as to alleged non-compliance of two of the conditions specified in the said Exemption Notification. While the Company has responded to Show Cause Notice (SCN) dated April 27, 2012 vide letter dated May 23, 2012 and further correspondences made in August, 2012 and July, 2013, the adjudication thereof is pending from respective authorities and hence the possible consequences arising out of same on the Company are not presently ascertainable. It is further stated that the Ministry of Finance, the Government of India, has withdrawn the aforesaid exemption notification w.e.f. September 19, 2014." [Refer note 73 of the consolidated financial statements of the FTIL Group]

Management response:

The Government by Gazette Notification SO 2529(E) dated 19 September, 2014 has withdrawn the Gazette Notification SO 906(E) dated 5 June, 2007 (by which NSEL was granted exemption u/s. 27 of the FCR Act, 1952 for trading of forward contracts of one day duration) with immediate effect and consequently the notification SO 228(E) dated 6 February, 2012 and notification SO 2406(E) dated 6 August, 2013 ceased to be in force w.e.f. 19 Sep, 2014, as informed to the NSEL by the FMC vide letter dated 5 November, 2014. As the reply to the said SCN has been given and actions, if any, required due to SCN has been taken, including withdrawal of the exemption itself, NSEL do not foresee any further consequences on the SCN. Further, neither FMC nor DCA has held NSEL guilty of having violated any of the conditions of the exemption notification dated 5 June, 2007, which was the subject matter of the SCN.

Qualification 2(c) in Auditors Report:

"As stated in note no. 60 & 61 to the Consolidated Financial Statements, the Company has been served with notices/ letters/summons from various statutory authorities/ regulators/government departments and some purported aggrieved parties. There are some Writ Petitions, Public Interest Litigations, Civil Suits including in representative capacity filed by and against the Company. Such matters against the Company are either in progress or sub judice before different forums. The Company may have civil/ criminal liability arising out of one or more of the proceedings initiated against the Company." [Refer note 75 and 76 of the consolidated financial statements of the FTIL Group]

Management response:

Since all matters are sub-judice, impact on financial statement, if any, cannot be ascertained at this stage. NSEL is taking all steps to defend its position and currently unable to quantify the impact, if any.

Qualification 2(d) in Auditors Report:

"As stated in note no. 58 & 59 to the Consolidated Financial Statements the issue of legality of contracts traded on the Spot Exchange, the management has clarified that all the contracts carried out on the Exchange were proper and in consonance with the local applicable laws and that there was no violation thereto. As far as availability of commodities are concerned, it is stated that there were systems and processes in place for deposit of commodities and generation of warehouse receipts and allocation of the same. NSEL believed existence of commodities in warehouse on account of the Depositing member's declarations, invoices submitted by the depositing members, the officials concerned in the NSEL at the relevant time being satisfied that there were commodities deposited, generation of warehouse receipt by the concerned officials. Further, due to various events, arising during FY 2013-14, the Company had appointed an Internal Inquiry Committee (IIC) and also two forensic auditors after July 31, 2013 for verification of certain aspects of accounting, internal controls, propriety of accounting policies etc. Pursuant to findings from investigations related to the Company by aforesaid committee/forensic auditors, material weaknesses were reported in certain areas of internal control system pertaining to Spot Exchange related services. There were instances where the commodities were found missing and there were instances of commodities being available partly or fully. This is part of the investigations by EOW, other investigation agencies." [Refer note 67 and 72 of the consolidated financial statements of the FTIL Group]

Management response:

All contracts traded on the Exchange platform were proper and in consonance with applicable laws, exemption notifications and there were no violations in this regard. NSEL had obtained a legal opinion on the legality of the contracts traded by the members on the Exchange platform. Since the matters mentioned are under investigation/sub-judice, impact on financial statement, if any, cannot be ascertained at this stage.

Qualification 2(e) in Auditors Report

"As stated in note no. 63 to the Consolidated Financial Statements in respect of effectiveness of internal controls, instances of circumventing of internal controls in some areas of operations on the Spot Exchange and in one of the group company viz. Indian Bullion Market Association Limited ('IBMA'), weakness in effectiveness of internal controls systems and control over financial reporting have been observed. Such instances were unearthed by various investigations carried out by IIC in the month of August 2013 and by a forensic auditor M/s. Grant Thornton India LLP in the month of September 2013 and by another forensic auditor M/s. Chokshi and Chokshi, Chartered Accountants in the month of February 2014.

There were irregularities which have been observed arising out of misuse of powers by ex-MD & CEO along with some senior officials of the Company. As per explanations given by the current management of the Company, some of the controls which were circumvented by the erstwhile management were lack of compliance with Rules, Bye laws and Business Rules of the Exchange by the defaulting members, laxity in terms of exemption from margin requirement to members, oversight over commodities which were stored in the warehouses belonging to certain members etc., the ex-MD & CEO at the relevant time had failed to disclose non-compliance issues to the Board of Directors of the Company. As the final outcomes of such investigations are pending, we are unable to comment on the consequential impact, if any, in respect of the same in the Financial Statements.

As per group company viz. IBMA the holding Company NSEL had appointed Internal Inquiry Committee (IIC) which had examined certain transactions pertaining to SnP and had recommended further inquiry into the matter. As stated in Note no 63 of the Consolidated Financial Statements, in respect of effectiveness of internal controls systems and controls over the financial reporting, following weaknesses were observed in the findings carried out by forensic auditors Grant Thornton India LLP and Chokshi & Chokshi, Chartered Accountants in relation to transactions carried out with one related party SnP were not disclosed and segregation and earmarking of client margin was not done as was required under NSEL's bye laws, which was required of IBMA as an Institutional Trade and Clearing Member (ITCM) of NSEL. The weakness had been identified after the Balance Sheet date by subsequent investigations carried out by forensic auditors in this regards. Since the matter is for separate investigation and pending such investigation, we are unable to comment on the classification of such transaction in the books of accounts of IBMA.

The matters stated above could also have a consequential impact on the measurement and disclosure of information provided under, but not limited to statement of profit and loss, provision for tax, cash flow statement, segment information, and earnings per share for the year ended March 31, 2015 in these Financial Statements." [Refer note 78 of the consolidated financial statements of the FTIL Group]

Management response:

Since the matters mentioned are under investigation/sub judice, impact on financial statement, if any, cannot be ascertained at this stage.

Qualification 2(f) in Auditors Report

"The trade receivables and other receivables are subject to confirmation and reconciliation. During the course of preparation of Financial Statements of respective Company, letter of confirmations have been sent to various parties by the respective company with a request to confirm the balances as on March 31, 2015. However, few confirmations have been received. The management, however, does not expect any material changes on account of such reconciliation/ non receipt of the confirmation from parties. However the balances between The Company and IBMA in respect of Exchange Operations are subject to reconciliation. In many cases legal notices have been sent to parties; however we are unable to form any opinion on recoverability of the outstanding balances of such parties".

Management response:

In case of NSEL, majority in value of the trade & other receivables, loans and advances etc. are confirmed and such confirmation are available on record. Some confirmations were received from debtors, which were not in agreement with the balances shown in the books of accounts. Reconciliation process has been undertaken for such accounts. However, the management does not envisage any significant impact of the same on the financials. In case of IBMA, it is following up with the parties who have outstanding receivables and have sent legal notices in all suitable cases. Further legal steps are being explored by the IBMA looking at the materiality aspect of the outstanding amounts. The process of reconciliation is currently underway and the management as per the information currently available does not expect any material impact on the profit and loss statement.

Qualification 2(g) in Auditors Report

"As stated in note no. 41 of notes to accounts, in earlier financial years the IBMA had rendered services to one M/s SnP Designs Pvt. Ltd. (SnP) relating to trade in future commodity contracts. At the end of the year a sum of ₹ 7,747.18 lacs was due and receivable on account of such services from SnP. The Managing Director and majority shareholder of SnP is Mrs. Shalini Sinha, the wife of Mr. Anjani Sinha (then Director and KMP of NSEL as well as IBMA).Such relationship was not informed by Mr. Anjani Sinha. No money has been received from SnP despite of substantial amounts due and outstanding. SnP denied having any liability to pay to the IBMA and the matter is under dispute. It has been informed by management that such transactions were carried out on the instruction issued by erstwhile director of Company Mr. Anjani Sinha who was managing the affairs of company." [Refer note 66(c) of the consolidated financial statements of the FTIL Group]

Management response:

Post the crisis that ensued at NSEL, NSEL appointed an Internal Enquiry Committee (IIC) to investigate and report on matters in relation to the crisis. IIC also covered trades undertaken by IBMA on future commodity exchanges on behalf of SNP Designs Pvt Ltd (SNP) in terms of an agreement signed between IBMA and SNP. IIC observed that such trades were executed on the directions of erstwhile director and Key Managerial Personnel, Mr. Anjani Sinha and as per the available records, Mr. Anjani Sinha was exclusively dealing with SNP and no efforts were made by him to recover the outstanding from SNP. No funds were received by IBMA during the course of the trades. Board of IBMA did not approve of such trades executed on behalf of SNP. The trades for SNP were executed by Mr. Anjani Sinha without informing the board.

Pursuant to the forensic audit report of Grant Thornton India LLP, the IBMA came to know that Mrs. Shalini Sinha, wife of erstwhile director and KMP Mr. Anjani Sinha, was the Managing Director and major shareholder of SNP Designs Pvt. Ltd. The details of such relationship were not disclosed by Mr. Anjani Sinha to the board of directors. SNP had confirmed the balance outstanding to IBMA as on 31st March 2013 and continued transacting with IBMA until July 2013. Later when the demand was raised by the Company, SNP denied owing any liability to IBMA. IBMA had sent a legal notice rebutting their contention in response to their reply. In the wake of such irregularities and on directions received from the holding Company NSEL, Mr. Anjani Sinha was removed from the Board of Directors of IBMA on 23rd October 2013. IBMA is in the process of filing a suit in the Hon'ble Bombay High court under Civil jurisdiction praying inter-alia to pass an order directing SNP to pay the outstanding sum with interest.

Qualification 2(h) in Auditors Report

"As stated in 5 (b) of basis of qualification in Auditors report of IBMA, IBMA has made provision for bad and doubtful debts for ₹ 2,049.66 lacs in case of receivables for sale and services entered by the IBMA. As per opinion formed by IBMA's Auditor, the Company should have provided 100% of all its bad and doubtful debts and other receivables. Accordingly, had this provided for entire amount as provision for bad and doubtful debts (including other receivables) the amount of provisions should have been higher by ₹ 4,097.93 lacs"

Management response:

As detailed in above responses IBMA has taken steps towards recovery of the overdue receivables. IBMA on prudent basis has provided for doubtful debts of ₹ 2,049.66 lacs in total for FY 2014-15 being 25% of the outstanding receivables of debtors for FY 2014-15 and believes that such provision is currently reasonable.

Qualification 2(i) in Auditors Report

"The Company may be exposed to liabilities in case of any adverse outcome of these investigations/enquiries or legal cases or any other investigations as referred to in 2(a) to 2(e) above enquires or suits which may arise at a later date. In the light of the above, the outcome of which is not presently known and is uncertain at this stage, we are not able to comment on the impact in respect of the same on these Consolidated Financial Statements. Also, the matters stated above could also have a consequential impact on the measurement and disclosure of information provided, but not limited to, profit/(loss) before tax, provision for tax, cash flow statement, segment information and earnings per share for the year ended March 31, 2015 in these Consolidated Financial Statements".

Management Response:

The consequential impacts of the aforesaid qualifications are dependent on the outcomes of the various investigations/ hearings pending in various Fora, and hence presently not known and is uncertain at this stage.

Comments on the observation made in Secretarial Audit Report:

Observation made in Secretarial Audit Report:

Mr. Miten Mehta (DIN: 06749055), Non-Executive Director of the Company was paid consultancy fee for professional services rendered by him for which the Company is seeking approval of the shareholders pursuant to Section 188 (1)(f) of the Act and a Notice dated 24th July, 2015 for voting by postal ballot on the same has been issued by the Company.

Management Response:

The Company has sought approval of the members through Postal Ballot in terms of Section 188(1)(f) of the Act for the rendering of services of professional nature to the Company by Mr. Miten Mehta pursuant to Section 197(4) of the Act. The Postal Ballot notice as approved by the Board of Directors at its meeting held on July 24, 2015 has been dispatched and the results of the same will be announced on September 1, 2015.

DIVIDEND

The Company follows a stable dividend payout policy. Your Company has paid consecutive dividends for the past 37 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 ₹ 5,529.42. Lacs (₹ 12 per share on par value of ₹ 2/- per share). The Directors have recommended a final dividend of ₹ 5/- per share, subject to the approval of the members at the ensuing Annual General Meeting. The total dividend – including interim and final – aggregates to ₹ 17/- per share, for the financial year ended 31st March, 2015 (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 ₹ 8,302.38 Lacs.
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 Lacs except dividend per share data)

	Interim Dividends			Final Dividend	
	1st Interim	2nd Interim	3rd Interim	Proposed	Total
Dividend per share	2.00	5.00	5.00	5.00	17.00
Dividend	921.57	2,303.93	2,303.93	2,303.93	7,833.35
Tax	-*	-*	-*	469.03	469.03
TOTAL	921.57	2,303.93	2,303.93	2,772.96	8,302.38

*As per statutory provisions, tax payable on distribution of dividend is adjusted against tax payable on dividend received from a foreign subsidiary company.

TRANSFER TO RESERVES

Your Company did not transfer any sum to General Reserve for the year under review.

SHARE CAPITAL

There was no change in the Share Capital of the Company during the year under review. As on 31st March, 2015, the paid-up equity Share Capital of your Company stood at ₹ 921.57 Lacs comprising of 46,078,537 equity shares of ₹ 2/- each.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of this Annual Report.

DETAILS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES AND THEIR FINANCIAL POSITION

During the year under review the following companies have ceased to be Company's subsidiary, step-down subsidiaries and associate companies:

Name of the Subsidiary	Date of cessation
National Bulk Handling Corporation Limited	April 25, 2014
Boursa India Limited	August 19, 2014
Trans-Global Credit and Finance Limited	August 19, 2014
Takshashila Academia of Economic Research Limited	September 15, 2014
Financial Technologies Projects Private Limited (Mauritius)	March 26, 2015*
Step Down [Subsidiary of Bourse Africa (Botswana) Limited]	**Date of cessation**
Bourse Africa (Kenya) Limited	May 7, 2014
ICX Africa Limited	May 19, 2014
Bourse Tanzania Limited	May 28, 2014
Bourse Uganda Limited	June 10, 2014
Bourse Exchange Nigeria Limited	January 19, 2015
Bourse Zambia Ltd	January 24, 2015
Associate Companies	**Date of cessation**
Indian Energy Exchange Limited	May 13, 2014

*Dissolved on June 18, 2015

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 ("Act"), a statement containing salient features of the financial statements of Company's subsidiaries, associate companies and joint ventures is given in Form AOC-1 as **Annexure - I** and the same forms part of this report. The statement also provides the details of performance, financial positions of each of the subsidiaries and joint venture company.

The Policy for determining material subsidiaries as approved by the Board may be accessed on the Company's website at the link: www.ftindia.com/investors/corporategovernance/Material-subsidiary-policy.pdf

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The report on Corporate Governance as 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 is annexed to the report on Corporate Governance.

BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Reporting as required under Clause 55 of the Listing Agreement with the Stock Exchanges is not applicable to your Company for the financial year ended March 31, 2015.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

In line with the requirements of the Companies Act, 2013 and Equity Listing Agreement, your Company has formulated a Policy on Related Party Transactions which is available on Company's website at www.ftindia.com/investors/corporategovernance/FTIL-Related-Party-Transactions-Policy.pdf. The Policy is to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All arrangements / transactions entered by your Company with its related parties during the year were in ordinary course of business and on an arm's length basis. During the year, your Company did not enter into any arrangement / transaction with related parties which could be considered material, in accordance with Clause 49(VII) of Listing Agreement on Related Party Transactions i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements and accordingly, the disclosure of Related Party Transactions in Form AOC 2 as required under Section 134(3) (h) of the Companies Act, 2013 is not applicable. However as required under Accounting Standard 18, names of Related Parties and details of transactions with them have been included in Note no. 37 to the standalone financial statements provided in the Annual Report and pursuant to Section 188(1)(f) of the Act, approval is sought through Postal Ballot for rendering of services of professional nature to the Company by Mr. Miten Mehta, the same being in the ordinary course of the business and at arm's length and covered under Section 197 (4) of the Act.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board.

The Company has identified the areas for CSR activities which are in accordance with Schedule VII of the Act, some of which are highlighted as under:

- Health and social welfare
- Education
- Environmental Sustainability
- Rural Transformation

The Report on CSR activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out as **Annexure - II** and the same forms part of this report. The policy is available on the website of the company at the link: www.ftindia.com/investors/corporategovernance/FTIL-CSR-policy.pdf.

RISK MANAGEMENT

The Board of the Company has formed a risk management committee to monitor the risk management policy for the Company.

The risk management system monitors and identifies risks which are related to the business and overall internal control systems of the Company. The Audit Committee has oversight responsibility in the areas of financial risks and controls. The risk management committee is responsible for reviewing the risk management policy and ensuring its effectiveness.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has internal financial control systems, which are commensurate with its size and the nature of its operations. 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 properly. The Internal Auditors independently evaluate the adequacy of internal controls. The findings and recommendations of the Internal Auditors are reviewed by the Audit Committee and followed up till implementation wherever feasible.

DIRECTORS

During the year under review, Mr. Anil Singhvi and Mr. Berjis Desai were appointed as Additional (Non-Executive – Non-Independent) Directors w.e.f. November 7, 2014. Further, Mr. Sunil Shah and Mr. Miten Mehta were appointed as Additional (Non-Executive – Non-Independent) Directors w.e.f. November 20, 2014.

Ms. Nisha Dutt was appointed as Additional (Non-Executive –Independent) Director w.e.f. November 20, 2014 and it is proposed to appoint Ms. Nisha Dutt as Indpendent Director, not liable to retire by rotation for a period of five years from the date of ensuing Annual General Meeting.

The Company has received notices under Section 160 of the Act along with the requisite deposit proposing appointments of Directors as detailed in the AGM Notice.

Mr. Prashant Desai was appointed as Additional Director w.e.f. November 7, 2014 and designated as Whole-time Director with effect from same date. Further, he was re-desginated as Managing Director and Chief Executive Officer (CEO) of the Company w.e.f. November 21, 2014. Mr. Jigish Sonagara and Mr. Rajendra Mehta were appointed as Additional Directors w.e.f. November 21, 2014. The Board has also appointed them as Whole-time Directors with effect from the same date for a period of three years.

The Company has an on-going Postal Ballot as approved by the Board of Directors at their meeting held on July 24, 2015 under which approval of shareholders is sought inter-alia for the appointment of Mr. Prashant Desai, Mr. Jigish Sonagara and Mr. Rajendra Mehta as Directors. The results of the same will be announced on September 1, 2015.

During the year under review, Mr. Venkat Chary, Justice Rajan J. Kochar (Retd.), Mr. Achudanarayanan Nagarajan and Mr. Rajendran Soundaram were appointed as Independent Directors, not liable to retire by rotation for a period of five years at the annual general meeting of the Company held on September 23, 2014.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as laid down under Section 149(6) of the Act and Clause 49 of the Listing Agreement.

Further, during the year Mr. Jignesh Shah, Mr. Dewang Neralla and Mr. Manjay Shah resigned from the Board w.e.f. November 20, 2014, as the Managing Director and Whole-time Directors of the Company, respectively.

The Board has placed on record its appreciation for the invaluable contribution made by Mr. Jignesh Shah during his tenure as the Managing Director of the Company, making the Company a leading technology provider in the financial sector and being globally the second largest company with licensing volumes, Mr. Dewang Neralla, as Whole-time Director, putting his enormous efforts to shape the technology edge of the Company and Mr. Manjay Shah, as Whole-time Director, who has contributed greatly in the overall growth and development of the Company ensuring 80% market share for the Company.

CHAIRMAN EMERITUS

With effect from November 21, 2014, the Board suo-motto appointed Mr. Jignesh Shah as the Chairman Emeritus and Mentor of the Company, a non-board position, for advising and mentoring the Company specially in relation to fulfillment of the Company's vision of FT 3.0 and other strategic matters.

As the Company has grown into a formidable technology player and is in the process of implementing its Founder's vision for 'Digital India @ 2025' as part of FT 3.0, which is transformation of the Company into becoming the de facto 'powered by' technology partner of choice for new digital giants in sectors like retail, education, healthcare, agriculture, environment, infrastructure and space over the next 10 years, on the invitation of the Board, Mr. Jignesh Shah has agreed to act as the Chairman Emeritus and Mentor to the Company to nurture and inspire the Company's future vision of FT 3.0 wearing his creative hat and to guide the implementation thereof. In his new role, Mr. Jignesh Shah will not be involved in the management of the Company.

ONE-TIME INCENTIVE TO EMPLOYEES

Your Company has created national assets like MCX, IEX, SMX, NBHC etc over the last several years. Without prejudice to its legal rights and remedies your Company had to force-exit from these assets and created significant cash reserves. The team played a critical role in the creation of IP and getting the fair value for them through exits. The total divestments till date exceed ₹ 2000 cr. The one time reward was necessary to keep the team motivated for the next phase of growth of the Company. Your Company under the guidance of the Board has rewarded the people responsible for the creation and exit of these assets through a one-time incentive which was capped at 1% of the total divestment. This is a one-time incentive and will not be a recurring expenditure. The salary of the team continues to remain same.

Details	Name of employee	Amount (₹ Lacs)
One-time Incentive paid to employees during FY 2014-15 for divestment of assets in 2014-15	Mr Paras Ajmera	720.0
	Mr Prashant Desai*	480.0
	Mr Jigish Sonagara*	100.0
	Mr Dewang Neralla	38.5
	Mr Manjay Shah	38.5
	Mr Devendra Agrawal	25.0
	Mr Ashish Kakade	20.0
	Mr Jatin Doshi	10.0
	Mr Hariraj Chouhan	7.5
	Mr Sheetal Dhawan	5.0
Amount of commission provision for FY 2014-15 to Executive Directors, to be paid in FY 2015-16 after approval of Annual Accounts by the shareholders.	Mr Jignesh Shah	450.0
	Mr Prashant Desai*	325.0
	Mr Jigish Sonagara*	125.0
	Mr Rajendra Mehta*	100.0
Amount of salary as cost to Company (CTC*) payable for 2015-16 *CTC includes company contribution to provident fund, gratuity, insurance etc	Mr Prashant Desai*	180.0
	Mr Jigish Sonagara*	180.0
	Mr Rajendra Mehta*	120.0
	Mr Dewang Neralla** (MD&CEO of atom)	180.0
	Mr Manjay Shah** (MD of Tickerplant)	240.0
	Mr Paras Ajmera	240.0
	Mr Devendra Agrawal	80.0
	Mr Hariraj Chouhan	41.0
	Mr Jatin Doshi	35.0
	Mr Ashish Kakade	32.0
	Mr Sheetal Dhawan	27.5

*All Executive Directors of the Company have given their written consent to the Remuneration Committee that they will only draw salaries with nominal increment, if given, for the next two years.

** They have also given their consent that they will only draw salaries with nominal increment, if given, for the next two years.

KEY MANAGERIAL PERSONNEL

As per the accounting standards and as reported in previous annual reports, Mr. Jignesh Shah, Managing Director, Mr. Dewang Neralla, Whole-time Director and Mr. Manjay Shah, Whole-time Director designated as Key Managerial Personnel ceased to hold office as such w.e.f. November 20, 2014.

During the year under review, the Company has appointed following persons as Key Managerial Personnel:

Sr. No.	Name of the person	Designation
1	Mr. Prashant Desai	Managing Director & Chief Executive Officer w.e.f. 21/11/2014
2	Mr. Jigish Sonagara	Whole-time Director w.e.f. 21/11/2014
3	Mr. Rajendra Mehta	Whole-time Director w.e.f. 21/11/2014
4	Mr. Devendra Agrawal	Chief Financial Officer w.e.f. 05/11/2014
5	Mr. Hariraj Chouhan	Company Secretary w.e.f. 05/11/2014

BOARD EVALUATION

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of the non-executive directors and executive directors. One of the key functions of the Board is to monitor and review the board evaluation framework.

In a separate meeting held of Independent Directors, it was agreed that since majority of the Board members are newly inducted, it would be pre-mature to have a review of their performance as only a very short period has elapsed since their induction on the Board.

It was also agreed to have a set of parameters prepared and circulated to all the non-executive Directors for their review and comments and the current methods of evaluation and parameters adopted by the Company for Managing Director/Whole-time Directors would be considered by the Board for their evaluation.

MEETINGS OF THE BOARD

The Board of Directors of the Company met twenty nine times during the financial year. The details of Board Meetings are provided in the Corporate Governance Report, which forms part of this Annual Report.

AUDIT COMMITTEE

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this Annual Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT BY COMPANY

Details of loans, guarantees and investments have been disclosed in the Financial Statements.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in **Annexure - III** and the same forms part of this Report.

EXTRACT OF ANNUAL RETURN

Extract of Annual return of the Company in form MGT-9 is annexed herewith as **Annexure - IV** and the same forms part of this Report.

PARTICULAR OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197 (12) of the Act, read with Rules 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, disclosures pertaining to remuneration and other details and a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules are given in **Annexure - V** and the same forms part of this report.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

The Company has a whistle blower policy to report genuine concerns or grievances. The Whistle Blower Policy has been posted on the website of the Company at the link: www.ftindia.com/investors/corporategovernance/Whistle-Blower-Policy.pdf.

NOMINATION AND REMUNERATION POLICY

The Board of Directors has framed a policy for selection and appointment of Directors including determining qualifications, independence of a Director, Key Managerial Personnel, Senior Management Personnel and their remuneration as part of its charter and other matters provided under section 178 (3) of the Act. The details of the policy are provided in the Corporate Governance Report, which forms part of this Annual Report.

DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

During the financial year 2014-15, the Company has not received any complaints on sexual harassment and hence no complaints remain pending as of March 31, 2015.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future. The details of litigation including tax matters are disclosed in the notes to the Financial Statements which forms part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

a. in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;

b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c. the Directors have taken proper and sufficient care to maintain adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. the Directors have prepared the annual accounts on a going concern basis.

e. the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and are operating effectively; and

f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

EMPLOYEES STOCK OPTION PLAN (ESOP)

The Nomination & Remuneration Committee of the Board of Directors of the Company, inter-alia, administers and monitors the Employees Stock Option Plan of the Company in accordance with the applicable SEBI Guidelines.

The applicable disclosures as required under SEBI Guidelines as on March 31, 2015, with regards to the Employees Stock Option Plan and as per the Act are given in **Annexure – VI** and the same forms part of this report.

The Company has received a certificate from the Auditors of the Company that the ESOP Schemes have been implemented in accordance with the SEBI Guidelines and the resolution passed by the members. The certificate would be placed at the Annual General Meeting for inspection by members.

AUDITORS

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, M/s. Sharp & Tannan Associates, Chartered Accountants, Mumbai (Regn. No. 109983W) were appointed as the Statutory Auditors of the Company at the Annual General Meeting (AGM) held on September 23, 2014 for a period of five years, subject to ratification of their appointment at every AGM.

The Company has received a confirmation from M/s. Sharp & Tannan Associates to the effect that their appointment, if ratified at the ensuing AGM would be in terms of Sections 139 and 141 of the Act and rules made thereunder. The Board proposes to the members to ratify the said appointment of M/s. Sharp & Tannan Associates.

DETAILS OF FRAUD, IF ANY REPORTED BY THE AUDITORS

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Companies Act, 2013.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Act, the Board has appointed M/s BNP & Associates, Practising Company Secretaries, to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed herewith marked as **Annexure - VII** and the same forms part of this report. The observations made in the Secretarial Audit Report are mentioned elsewhere in this report.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Details relating to deposits covered under Chapter V of the Act.
- Issue of equity shares with differential voting rights as to dividend, voting or otherwise.
- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

HUMAN RESOURCES

At Financial Technologies, we strongly believe in open communication at all times, across levels. Varied communication channels, such as Departmental meets, HOD meets, HR Zone (e-HR), FTIL HR Communication and HR4U e-mail facility, have ensured that the HR team is always around the corner and is available to listen to and help human resources. All of our processes are fully automated and online thus ensuring that information is available at fingertips for employees as well as speed in operations. As of 31st March 2015, FTIL had employee strength of 872.

Our Company went through a major crisis last year. The human resources oriented culture in the Company has helped us to tide over this crisis by keeping the confidence of the employees in the strength of the business verticals intact. This ensured that our attrition did not escalate substantially, and our focus on customers and development remained constant.

One of the cornerstones of our crisis management strategy has been to communicate constantly with our employees over the last one year. Many HR Connect sessions were also held to address the employee concerns and strengthen the bonding across levels. FTIL's confidence in its ability to innovate and technological strength and grow in challenging times was reiterated in open houses/connect sessions.

It is to be noted that 62% of our current employees have worked with the Company for more than 3 years. Our attrition rate even in the year of crisis i.e. 14/15 was 28%, which even though slightly higher than the past few years, is still lower than comparable technology companies across India.

To acknowledge the efforts and commitment of staff in challenging times, a loyalty bonus was announced. The Loyalty Bonus was paid to FTIL staff who has completed minimum 3 years of association/service with Organization as on 31st March 2015. This has helped us to boost the employee confidence in the Organization and also led to enhanced retention of skilled staff

Even during the times of crisis, FTIL's HR department has ensured that their well-established processes continue to be honored and followed i.e. induction, training, performance management etc.

Many employee connect and engagement initiatives like Stepthlon, PUMA Urban Stampede, Stills Photography contest, CSR focused activities like Blood Donation drive, Clothes Donation Drive, Contribution for J&K Flood relief were conducted. This has led to greater employee bonding.

Financial Technologies continues to believe strongly in the ability and quality of its Human Resources, and has already started working on the next phase of FTIL's growth. FTIL treats its employees as integral partners in the organization's existence and growth.

ACKNOWLEDGEMENT

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

Your Directors also wish to place on record their appreciation for the continued support of investors, business associates and the contribution made by the employees at all levels.

For and on behalf of the Board of Directors

	Venkat Chary	**Prashant Desai**
Place: Pawana Nagar, Pune	Chairman	Managing Director & CEO
Date: August 8, 2015	DIN: 00273036	DIN: 01578418

ANNEXURE - I

Form AOC- I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(₹ lacs)

Sr. No.	Name of the Subsidiary (includes step down subsidiaries) company		Reporting Currency	Exchange Rate as at March 31, 2015	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Details of investment	Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed dividend	% of shareholding	Country
1	IBS Forex Limited (IBS)		INR	-	700.00	(157.28)	544.07	1.35	478.36	-	(10.18)	-	(10.18)	-	86.29%	India
2	Riskraft Consulting Limited (Riskraft)		INR	-	700.00	(635.57)	64.71	0.28	54.75	-	1.29	-	1.29	-	100.00%	India
3	atom Technologies Limited (atom)		INR	-	2,898.94	(2,340.98)	1,562.79	1,004.83	31.09	1,935.28	(673.76)	-	(673.76)	-	94.81%	India
4	TickerPlant Limited (TickerPlant)		INR	-	2,442.64	(2,275.76)	1,301.92	1,135.04	75.68	1,974.87	(685.56)	-	(685.56)	-	100.00%	India
5	FT Knowledge Management Company Limited (FTKMCL)		INR	-	375.00	(234.72)	151.87	11.59	-	4.55	(48.13)	(2.17)	(45.96)	-	100.00%	India
6	National Spot Exchange Limited (NSEL)		INR	-	6,000.00	(5,114.21)	39,725.96	38,840.17	-	-	(11,077.40)	-	(11,077.40)	-	99.99%	India
7	Indian Bullion Market Association Limited (IBMA)	Subsidiary of NSEL	INR	-	1,453.89	(4,970.36)	7,325.26	10,841.73	1.66	36,788.02	(2,669.98)	-	(2,669.98)	-	60.88%	India
8	Westernghats Agro Growers Company Limited(WGAGL)	Subsidiary of NSEL	INR	-	5.00	(32.16)	7.25	34.41	-	-	(3.05)	-	(3.05)	-	51.00%	India
9	Farmer Agricultural Integrated Development Alliance Ltd (FAIDA)	Subsidiary of NSEL	INR	-	10.00	(9.41)	9.47	8.88	1.64	-	(12.21)	(0.01)	(12.20)	-	100.00%	India
10	Global Payment Networks Limited (GPNL)		INR	-	100.00	24.52	124.80	0.28	123.80	-	3.41	-	3.41	-	100.00%	India
11	Credit Market Services Limited (CMSL)		INR	-	525.00	(531.78)	16.14	22.92	-	-	(3.24)	-	(3.24)	-	99.99%	India
12	Financial Technologies Communications Limited (FTCL)		INR	-	5.00	398.76	435.80	32.04	292.61	279.90	18.88	1.30	17.58	-	100.00%	India
13	FT Projects Limited. (FTPL)		INR	-	5.00	(6.97)	3,000.03	3,002.00	-	-	(1.60)	-	(1.60)	-	100.00%	India
14	Apian Finance & Investment Limited (Apian)		INR	-	431.44	109.67	2,469.56	1,928.45	550.62	179.17	(286.34)	-	(286.34)	-	100.00%	India
15	Financial Technologies Singapore Pte Limited (FTSPL)		USD	62.5908	51,539.41	4,534.50	56,235.62	161.71	-	-	(5,184.21)	(160.35)	(5,023.86)	-	100.00%	Singapore
16	Knowledge Assets Pvt. Ltd. (KAPL)		USD	62.5908	6.26	(46.89)	4.96	45.59	-	-	(9.57)	-	(9.57)	-	100.00%	Mauritius

(₹ lacs)

Sr. No.	Name of the Subsidiary (includes step down subsidiaries) company		Reporting Currency	Exchange Rate as at March 31, 2015	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Details of investment	Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed dividend	% of shareholding	Country
17	ICX Platform (Pty) Limited (ICX)		ZAR	5.1686	0.01	(112.39)	98.08	210.46	-	-	42.70	-	42.70	-	100.00%	South Africa
18	FT Group Investments Pvt. Ltd. (FTGIPL)		USD	62.5908	77,650.15	(84,462.77)	41,451.42	48,264.04	5,251.10	716.38	(63,241.90)	-	(63,241.90)	-	100.00%	Mauritius
19	Bourse Africa (Botswana) Limited (BABL)	Subsidiary of FTGIPL	USD	62.5908	17,224.99	(21,292.45)	44.35	4,111.81	-	50.07	(799.98)	-	(799.98)	-	99.98%	Botswana
20	Bahrain Financial Exchange BSC (c) (BFX)*	Subsidiary of FTGIPL	BHD	164.626	44,567.55	(45,066.01)	550.19	1,048.65	-	77.40	(9,559.36)	-	(9,559.36)	-	99.90%	Kingdom of Bahrain
21	Bourse Africa Limited (BAL)	Subsidiary of FTGIPL	USD	62.5908	45,065.38	(41,555.84)	3,741.27	231.73	-	47.95	(6,658.04)	(5,723.24)	(934.80)	-	100.00%	Mauritius
22	Bourse Africa Clear Limited (BACL)	Subsidiary of BAL	USD	62.5908	319.41	(46.84)	681.87	409.30	-	-	(30.68)	-	(30.68)	-	100.00%	Mauritius
23	Financial Technologies Middle East DMCC (FTME)	Subsidiary of FTGIPL	AED	17.0218	11,234.39	(11,030.83)	1,705.65	1,502.09	1,469.07	295.29	(6,054.56)	-	(6,054.56)	-	100.00%	U.A.E
24	Capricorn Fin-Tech (Private) Limited	Subsidiary of FTME	AED	17.0218	1.02	(1.02)	-	-	-	-	-	-	-	-	99.00%	Bangladesh

- Bourse South Africa Limited, South Africa and Financial Technologies Projects Pvt. Ltd., Mauritius are under liquidation.

* Figures disclosed based on the Consolidated Financial Statements of Bahrain Financial Exchange BSC (c) and its subsidiary BFX Clearing & Depository Corporation BSC(c)

Note:

1 Indian rupee equivalents of the figures in foreign currencies in the accounts of the subsidiary companies, are based on the exchange rates as on March 31, 2015.

2 Following companies have ceased to be subsidiary,stepdown subsidiary during the year

Name of the Subsidiaries

a) Boursa India Limited

b) Takshashila Academia of Economic Research Ltd.

c) Trans Global Credit and Finance Limited

d) Bourse Exchange Nigeria Limited, Nigeria

e) National Bulk Handling Corporation Limited

Step Down Subsidiaries of Boursa Africa (Botswana) Limited

f) Bourse Africa (Kenya) Limited, Kenya

g) Bourse Tanzania Limited, Tanzania

h) Bourse Zambia Limited, Zambia

i) Bourse Uganda Limited, Uganda

j) ICX Africa Limited, Botswana

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "B": Joint-Venture

(₹ lacs)

Name of Joint Venture	Dubai Gold and Commodities Exchange DMCC (DGCX)
1. Latest audited Balance Sheet Date	31-Dec-14
2. Shares of Joint Ventures held by the company on the year end	
No.	3999
Amount of Investment in Joint Venture	6,073.62
Extend of Holding %	27.25%
3. Description of how there is significant influence	Joint Venture Agreement
4. Reason why the joint venture is not consolidated	N.A
5. Networth attributable to Shareholding as per latest audited Balance Sheet	6,110.29
6. Profit / Loss for the year	
i. Considered in Consolidation	(4,311.65)
ii. Not Considered in Consolidation	-

Note: Names of associates during the year

1 Indian Energy Exchange Limited (cease to be associate from May 13, 2014)

2 SME Exchange of India Limited (under liquidation)

For and on behalf of the Board of Directors

Place: Pawana Nagar, Pune

Date: August 8, 2015

Venkat Chary
Chairman
DIN: 00273036

Prashant Desai
Managing Director & CEO
DIN: 01578418

ANNEXURE - II

ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

   The Company has framed a CSR Policy in compliance with the provisions of the Companies Act 2013 (ACT) as approved by the Board of Directors on October 11, 2014, which is available on the Company's website and the web link is given below:.

   http://www.ftindia.com/investors/corporategovernance/FTIL-CSR-policy.pdf

   The Company has proposed to undertake activities relating to rural development, promoting education, employment enhancing skills etc. and such other areas as may be decided by CSR Committee and covered under CSR Rules.

2. The composition of CSR Committee:

   Mr. S. Rajendran, Chairman (Independent Director)

   Mr. A. Nagarajan, Member (Independent Director)

   Mr. Jigish Sonagara, Member (Whole-time Director)

   Mr. Rajendra Mehta, member (Whole-time Director)

3. Average net profit of the Company for last three financial years is ₹ 26,863 lakhs (as per Section 198 of the Act)

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)

   The Company is required to spent ₹ 537.26 lakhs towards CSR for the F.Y. 2014-15.

5. Details of the CSR spent during the financial year:

   The Board of Directors (Board) of the Company has on March 30, 2015, as recommended by the CSR Committee, approved the following commitment as CSR spend for FY ending March 31, 2015:

(₹ lacs)

A)	DN Polytechnic Education Trust	245.00
	(Entrepreneurship Skill Development Prog.)	
B)	Shrimati Savita Mahila Utkarsh Seva Sangh	30.00
	(Promotion of Education & enhancement of educational infrastructure)	
C)	Jaybharti Foundation	50.00
	(Health Awareness Activities, specially for economically underprivileged women,girls & children)	
	TOTAL	**325.00**

To monitor the outflow and total spent of ₹ 537.26 lakhs for the year ended March 31, 2015, the Board decided to open a separate Account for CSR Projects, which was opened on March 31, 2015 with HDFC Bank and the amount of ₹ 537.26 lakhs was transferred to that on that date.

In accordance with the Company's CSR policy and in compliance with the Companies (Corporate Social Responsibility Policy) Rules 2014, your Company has hired a recognized Agency viz. Samhita Social Ventures Pvt. Ltd. and have undertaken CSR projects.

6. In case the Company has failed to spend the two percent, of the average net profit of the latest three financial years or any part thereof, the Company shall provide the reasons for not pending the amount in its Board report.

   The outflow for the CSR projects from the specific Bank Account opened for CSR activities on March 31, 2015 has taken place in the month of May 2015 and the Company has spent an amount of ₹ 271.06 lacs towards CSR activities undertaken with DN Polytechnic Education Trust, Shrimati Savita Mahila Utkarsha Seva Sangh and Jaybharti Foundation as detailed in 5 above

   Further spent of ₹ 266.20 lacs is planned for disbursement towards August end/ September 2015

RESPONSIBILITY STATEMENT

The Responsibility Statement of the Corporate Social Responsibility Committee of the Board of Directors of the Company is given below:

'The implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.'

	Jigish Sonagara	**S. Rajendran**
Place: Pawana Nagar, Pune	Whole-time Director	Chairman of CSR Committee
Date: August 8, 2015	DIN: 07024688	DIN: 02686150

ANNEXURE - III

Conservation of energy, technology absorption, foreign exchange earnings and outgo

[Pursuant to Clause (m) of sub-section 3 of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014]

(A) Conservation of energy –

(i) The steps taken or impact on conservation of energy:

- LED lights are fitted at all the floors to reduce lighting energy consumption since one year and we got considerable energy saving in lighting system.
- Total 237470 KWH was saved in lighting due to LED fittings in last one year.
- Two numbers of passenger lifts are being switched off on all Saturdays / Sundays.
- Air conditioning run time has been reduced by rescheduling the start / stop timing of air conditioning system from BMS system.

(ii) The steps taken by the company for utilizing alternate sources of energy:

Water Conservation Initiatives:-

- The water supply to urinals and WCs are being controlled to minimal by using urinal sensors and controlled flush valves in WCs.
- The water treatment plant is being run to the minimum hours to save electrical energy.
- Water harvesting system has been operational through which the rain water is being used in water treatment plant.

Other Initiatives:-

- The heat energy is being saved in terms of electrical energy due to fitment of DGU glasses on façade and window glasses of the building.
- The lighting energy is being saved by installation of transparency type center canopy on terrace top.
- Planned Preventive Maintenance of all electrical equipment's / systems is being done to save considerable electrical energy.

(iii) The capital investment on energy conservation equipment's:

There is no new investment made on energy conservation during reporting period.

(B) Technology absorption –

(i) The efforts made towards technology absorption:

The technology absorption at the enterprise level has been in accordance with the 'Digital India – 2025' vision announced by the company. The strategy to achieve this includes creating new Digital Disruptors in the fields of education, retail, healthcare, infrastructure and space among others. The focus of the efforts to achieve sustainable architecture for these transformational disruptors has been in working towards achieving platform neutral product and service offerings and having integrated workflow management for a highly predictable delivery roadmap. In addition to the conventional models, a pilot to have IaaS, SaaS and PaaS offerings which are cloud aware have been under consideration.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

The benefits of having platform neutral offerings includes having a wide spectrum of potential customers including retail and institutional both alike. The integrated workflow management has assisted in having improved delivery efficiency, lower effort wastage, better risk management that aids improved governance. The architecture that is IaaS, SaaS and PaaS aware offers an on-demand pick and choose model which helps in achieving a low TCO and is generally more economically viable.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) – No Technology imported.

(iv) The expenditure incurred on Research and Development:

The aggregate amount of revenue expenditure incurred during the year on Research and Development as per allocation made by the management and shown in the respective heads of the account is ₹ 1,071.79 lacs (Previous Year ₹ 948.96 lacs). This has been relied upon by the auditors.

(C) Foreign exchange earnings and Outgo –

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

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

(₹ lacs)

NATURE OF EXPENSES	Current Year	Previous Year
Travelling expenses	26.77	15.48
Legal and professional charges	5.81	3.75
Interest expenses on borrowings	1,668.92	2,051.36
Amortisation of ancillary borrowing costs	190.65	539.36
Insurance	-	0.24
Rent	6.38	5.19
Repairs and maintenance- others	1.00	0.93
IT Support Charges	16.56	-
Software license fees	46.22	211.29
Miscellaneous expenses	6.27	21.23
TOTAL	**1,968.58**	2,848.83

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

(₹ lacs)

NATURE OF INCOME	Current Year	Previous Year
Income from software products (IPR based license)	59.38	34.32
Income from software services (Project based)	1,074.38	7,795.30
Sale of traded goods	-	0.63
Guarantee Fees	-	534.67
Interest on bank deposits	13.99	19.04
Interest on loans to subsidiaries	2,007.29	5,557.37
Advances received written back	12,891.00	-
Dividend Received	12,322.70	-
TOTAL	**28,368.74**	13,941.33

For and on behalf of the Board of Directors

	Venkat Chary	**Prashant Desai**
Place: Pawana Nagar, Pune	Chairman	Managing Director & CEO
Date: August 8, 2015	DIN: 00273036	DIN: 01578418

ANNEXURE - IV

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	:	L29142TN1988PLC015586
Registration Date	:	12th April 1988
Name of the Company	:	Financial Technologies (India) Limited
Category / Sub-Category of the Company	:	Company limited by Shares
Address of the Registered office and contact details	:	Shakti Tower – 1, 7th Floor, Premises E, 766, Anna Salai, Thousand Lights, Chennai, Tamilnadu – 600002. Tel: +91-44-4395 0850, Fax: +91-44-4395 0899 E-mail: info@ftindia.com
Whether listed company	:	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	:	Karvy Computershare Pvt Ltd Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana – 500032. Tel: +91-40- 67162222, Fax: +91-40-23001153. E-mail: einward.ris@karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Computer Programming, Consultancy and related services	620	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Apian Finance And Investment Ltd 1st Floor, Malkani Chambers, Off Nehru Road, Vile Parle (East) Mumbai, Maharashtra-400099	U 65990MH1993PLC071004	Subsidiary	100	2(87)
2	Atom Technologies Limited FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai, Maharashtra - 400093	U72900MH2005PLC156695	Subsidiary	94.81	2(87)
3	Credit Market Services Limited 1st Floor, Malkani Chambers, Off Nehru Road,Vile Parle (East), Mumbai, Maharashtra-400099	U67190MH2008PLC179480	Subsidiary	99.99	2(87)
4	Financial Technologies Communications Limited FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai, Maharashtra - 400093	U72300MH2007PLC168679	Subsidiary	100	2(87)
5	FT Knowledge Management Company Limited FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai, Maharashtra – 400093	U80900MH2007PLC173924	Subsidiary	100	2(87)
6	FT Projects Limited 1st Floor, Malkani Chambers, Off Nehru Road,Vile Parle (East), Mumbai, Maharashtra-400099	U70102MH2010PLC203336	Subsidiary	100	2(87)

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
7	Global Payment Networks Limited 1st Floor, Malkani Chambers, Off Nehru Road,Vile Parle (East), Mumbai, Maharashtra-400099	U72900MH2007PLC168354	Subsidiary	100	2(87)
8	IBS Forex Limited FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai, Maharashtra - 400093	U67190MH2001PLC130813	Subsidiary	86.29	2(87)
9	National Spot Exchange Limited FT Tower, CTS No. 256 & 257, 4th Floor, Suren Road, Chakala, Andheri (East), Mumbai, Maharashtra - 400093	U51100MH2005PLC153384	Subsidiary	99.99	2(87)
10	Riskraft Consulting Limited FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai, Maharashtra - 400093	U67140MH2005PLC157634	Subsidiary	100	2(87)
11	TickerPlant Limited FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai, Maharashtra - 400093	U72900MH2005PLC151034	Subsidiary	100	2(87)
12	Indian Bullion Market Association Limited 4th Floor, FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai, Maharashtra - 400093	U74900MH2007PLC171717	Step-down Subsidiary	60.88	2(87)
13	Farmer Agricultural Integrated Development Alliance Ltd 605-B, Ashiana Plaza, Budh Marg, Patna, Bihar – 800001	U01110BR2012PLC019027	Step-down Subsidiary	100	2(87)
14	Westernghats Agro Growers Company Limited Building No. 28/716, "Laxmi Amma and Kaveri Amma", K. P Vallon Road, Kadavanthra, Kochi, Kerala – 682020	U51909KL2012PLC032065	Step-down Subsidiary	84	2(87)
15	SME Exchange of India Limited Exchange Square, Chakala, Suren Road, Andheri (East), Mumbai, Maharashtra - 400093	U74900MH2010PLC207641	Associate (under liquidation)	49	2(6)
16	Financial Technologies Middle East DMCC 1310, Tiffany Tower, JLT, P.O. Box 212010, Dubai	Not applicable	Step-down Subsidiary	100	2(87)
17	Capricorn Fin-Tech (Private) Limited Chowdhury Centre, 5th Floor, 23/K New Esketon Road, Dhaka-1217, Bangladesh	Not applicable	Step-down Subsidiary	99.99	2(87)
18	Bahrain Financial Exchange BSC (c) 10th Floor, West Tower, Bahrain Financial Harbour, King Faisal Highway, P.O. Box. 1936, Manama, Kingdom of Bahrain	Not applicable	Step-down Subsidiary	100	2(87)
19	FT Group Investments Pvt. Ltd. C/o Kross Border, St Louis Business Centre, Cnr Desroches & St Louis Streets, Port Louis, Mauritius	Not applicable	Subsidiary	100	2(87)
20	Bourse Africa (Botswana) Limited (BABL) (Formerly Known as Bourse Africa Limited) Plot No. 50664, Fairgrounds Office Park, P.O. Box 4966, Gaborone, Botswana	Not applicable	Step-down Subsidiary	99.98	2(87)
21	Knowledge Assets Pvt. Ltd. C/o Kross Border, St Louis Business Centre, Cnr Desroches & St Louis Streets, Port Louis, Mauritius	Not applicable	Subsidiary	100	2(87)
22	Bourse Africa Limited (BAL) (Formerly known as Global Board of Trade Limited) Ebène House, 1st Floor, 33 Cybercity, Ebène, Republic of Mauritius	Not applicable	Step-down Subsidiary	100	2(87)
23	Bourse Africa Clear Limited (BACL) (Formerly known as GBOT Clear Limited) Ebène House, 1st Floor, 33 Cybercity, Ebène, Republic of Mauritius	Not applicable	Step-down Subsidiary	100	2(87)
24	Financial Technologies Singapore Pte Limited 163 Tras Street, #03-01 Lian Huat Building, Singapore 079024	Not applicable	Subsidiary	100	2(87)
25	ICX Platform (Pty) Limited South Africa, Ground Floor, Gleneagles, Fairway Office Park, 52 Grosvenor Road, Bryanston, 2021	Not applicable	Subsidiary	100	2(87)
26	BFX Clearing & Depository Corporation BSC (c) 10th Floor, West Tower, Bahrain Financial Harbour, King Faisal Highway, P.O. Box. 1936, Manama, Kingdom of Bahrain	Not applicable	Step-down Subsidiary	100	2(87)
27	Bourse South Africa Limited Fairway Office Park, Gleneagles, 52 Grosvenor Road, Bryanston, Johannesburg	Not applicable	Step-down Subsidiary	100	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2014				No. of Shares held at the end of the year i.e. 31.03.2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.Promoters									
(1) Indian									
a) Individual/ HUF	8695910	0	8695910	18.87	8695910	0	8695910	18.87	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	12329968	0	12329968	26.76	12329968	0	12329968	26.76	0
e) Banks / Financial Institutions	0	0	0	0	0	0	0	0	0
f) Any Other….	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	**21025878**	**0**	**21025878**	**45.63**	**21025878**	**0**	**21025878**	**45.63**	**0**
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / Financial Institutions	0	0	0	0	0	0	0	0	0
e) Any Other….	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**21025878**	**0**	**21025878**	**45.63**	**21025878**	**0**	**21025878**	**45.63**	**0**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	1254	0	1254	0.00	322	0	322	0	0
b) Banks / Financial Institutions	117721	2052	119773	0.26	111796	2052	113848	0.25	-0.01
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) Foreign Institutional Investors	10337750	0	10337750	22.44	7543612	0	7543612	16.37	-6.07
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify) – Foreign Portfolio Investors	0	0	0	0	26081	0	26081	0.06	0.06
Sub-total (B)(1):-	**10456725**	**2052**	**10458777**	**22.70**	**7681811**	**2052**	**7683863**	**16.68**	**-6.02**

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2014				No. of Shares held at the end of the year i.e. 31.03.2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	2526189	16006	2542195	5.52	2968911	16006	2984917	6.48	0.96
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	5557034	90521	5647555	12.26	8222741	89104	8311845	18.04	5.78
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	5730930	0	5730930	12.44	5257281	0	5257281	11.41	-1.03
c) Others (specify)									
Clearing Member	333346	0	333346	0.72	280899	0	280899	0.61	-0.11
Directors	0	0	0	0	3495	0	3495	0.01	0.01
Non Resident Individuals	288121	22899	311020	0.67	506155	22899	529054	1.15	0.47
Trusts	2355	0	2355	0.01	1305	0	1305	0.00	0
Sub-total (B)(2):-	14437975	129426	14567401	31.61	17240787	128009	17368796	37.69	6.08
Total Public Shareholding (B)=(B)(1)+ (B)(2)	24894700	131478	25026178	54.31	24922598	130061	25052659	54.37	0.06
Total (A+B)	45920578	131478	46052056	99.94	45948476	130061	46078537	100.00	0.06
C. Shares held by Custodian for GDRs & ADRs									
Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
Public	26481	0	26481	0.06	0	0	0	0.00	-0.06
GRAND TOTAL (A+B+C)	**45947059**	**131478**	**46078537**	**100.00**	**45948476**	**130061**	**46078537**	**100.00**	**0**

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. 01.04.2014			Shareholding at the end of the year i.e. 31.03.2015			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	
1	La-Fin Financial Services Pvt Ltd	12329968	26.76	-	12329968	26.76	-	0
2	Jignesh P Shah	8329585	18.08	-	8329585	18.08	-	0
3	Manjay P Shah	76918	0.17	-	76918	0.17	-	0
4	Manish P Shah	71538	0.16	-	71538	0.16	-	0
5	Pushpa P Shah	60543	0.13	-	60543	0.13	-	0
6	Dewang Sunderraj Neralla	60374	0.13	-	60374	0.13	-	0
7	Rupal J Shah	56703	0.12	-	56703	0.12	-	0
8	Prakash B Shah	37351	0.08	-	37351	0.08	-	0
9	Mandar Neralla	1364	0	-	1364	0	-	0
10	Nakshi Manish Shah	1036	0	-	1036	0	-	0

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year i.e. 01.04.2014		Cumulative Shareholding during the year i.e. 31.03.2015	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	There is no change in Promoter's Shareholding between 01.04.2014 to 31.03.2015			
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
3	At the End of the year (or on the date of separation, if separated during the year)				

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name of the Shareholders	Shareholding at the beginning of the year		Change in Shareholding			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Increase/ (Decrease) in Shareholding	Reason	No. of shares	% of total shares of the company
1	Blackstone GPV Capital Partners Mauritius VI FIIL	3235703	7.02	01/04/2014	-	-	3235703	7.02
		-	-	31/03/2015	-	-	3235703	7.02
2	Ravi Kanaiyalal Sheth	2489762	5.40	01/04/2014	-	-	2489762	5.40
		-	-	11/04/2014	(27149)	Transfer	2462613	5.34
		-	-	31/03/2015	-	-	2462613	5.34
3	Government Pension Fund Global	1822261	3.95	01/04/2014	-	-	1822261	3.95
		-	-	11/04/2014	(113051)	Transfer	1709210	3.71
		-	-	18/04/2014	(168039)	Transfer	1541171	3.34
		-	-	25/04/2014	(232475)	Transfer	1308696	2.84
		-	-	02/05/2014	(248211)	Transfer	1060485	2.30
		-	-	09/05/2014	(249993)	Transfer	810492	1.76
		-	-	16/05/2014	(147738)	Transfer	662754	1.44
		-	-	21/11/2014	662754	Transfer	1325508	2.88
		-	-	21/11/2014	(662754)	Transfer	662754	1.44
		-	-	31/03/2015	-	-	662754	1.44
4	Laxmi Shivanand Mankekar	1350000	2.93	01/04/2014	-	-	1350000	2.93
		-	-	31/03/2015	-	-	1350000	2.93
5	Bharat Kanaiyalal Sheth	1307739	2.84	01/04/2014	-	-	1307739	2.84
		-	-	11/04/2014	(27500)	Transfer	1280239	2.78
		-	-	06/06/2014	(5000)	Transfer	1275239	2.77
		-	-	13/06/2014	(5000)	Transfer	1270239	2.76
		-	-	31/03/2015	-	-	1270239	2.76
6	Client Rosehill Limited	1265000	2.75	01/04/2014	-	-	1265000	2.75
		-	-	31/03/2015	-	-	1265000	2.75
7	Merrill Lynch Capital Markets Espana S.A. S.V.	1184565	2.57	01/04/2014	-	-	1184565	2.57
		-	-	04/04/2014	(471000)	Transfer	713565	1.55
		-	-	06/06/2014	(86)	Transfer	713479	1.55
		-	-	31/10/2014	(456738)	Transfer	256741	0.56
		-	-	07/11/2014	(256543)	Transfer	198	0.00
		-	-	31/03/2015	-	-	198	0.00
8	CVCIGP II Employee Rosehill Limited	710500	1.54	01/04/2014	-	-	710500	1.54
		-	-	31/03/2015	-	-	710500	1.54
9	Mukul Mahavir Prasad Agrawal	400000	0.87	01/04/2014	-	-	400000	0.87
		-	-	22/08/2014	(100000)	Transfer	300000	0.65
		-	-	19/09/2014	(200000)	Transfer	100000	0.22
		-	-	24/10/2014	(100000)	Transfer	0	0.00
		-	-	31/03/2015	-	-	0	0.00

Sr. No.	Name of the Shareholders	Shareholding at the beginning of the year		Change in Shareholding			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Increase/ (Decrease) in Shareholding	Reason	No. of shares	% of total shares of the company
10	Kotak Mahindra Prime Limited	378471	0.82	01/04/2014	-	-	378471	0.82
		-	-	04/04/2014	1529	Transfer	380000	0.82
		-	-	25/04/2014	(40598)	Transfer	339402	0.74
		-	-	02/05/2014	7892	Transfer	347294	0.75
		-	-	09/05/2014	22067	Transfer	369361	0.80
		-	-	23/05/2014	10639	Transfer	380000	0.82
		-	-	30/05/2014	(117583)	Transfer	262417	0.57
		-	-	06/06/2014	34876	Transfer	297293	0.65
		-	-	13/06/2014	93939	Transfer	391232	0.85
		-	-	20/06/2014	(217453)	Transfer	173779	0.38
		-	-	30/06/2014	(173779)	Transfer	0	0.00
		-	-	31/03/2015	-	-	0	0.00

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name	Shareholding at the beginning of the year		Change in Shareholding			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Increase/ (Decrease) in Shareholding	Reason	No. of shares	% of total shares of the company
A	**DIRECTORS:**							
1	Jignesh Shah Manging Director (Ceased to be Managing Director on 20.11.2014)	8329585	18.08	01/04/2014	-	-	8329585	18.08
		-	-	20/11/2014	-	-	8329585	18.08
2	Manjay Shah Whole-time Director (WTD) (Ceased to be WTD on 20.11.2014)	76918	0.17	01/04/2014	-	-	76918	0.17
		-	-	20/11/2014	-	-	76918	0.17
3	Dewang Neralla Whole-time Director (WTD) (Ceased to be WTD on 20.11.2014)	60374	0.13	01/04/2014	-	-	60374	0.13
		-	-	20/11/2014	-	-	60374	0.13
4	Prashant Desai Managing Director & CEO (Appointed as Whole-time Director w.e.f. 07.11.2014 and then appointed as MD & CEO w.e.f. on 21.11.2014)	2080	0.00	07/11/2014	-	-	2080	0.00
		-	-	31/03/2015	-	-	2080	0.00
5	Jigish Sonagara Whole-time Director(WTD) (Appointed as WTD w.e.f. 21.11.2014)	1415	0.00	21/11/2014	-	-	1415	0.00
		-	-	31/03/2015	-	-	1451	0.00

Sr. No.	Name	Shareholding at the beginning of the year		Change in Shareholding			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Increase/ (Decrease) in Shareholding	Reason	No. of shares	% of total shares of the company
B	**KEY MANAGERIAL PERSONNEL (KMP's)**							
1	Hariraj Chouhan Company Secretary (Appointed as KMP w.e.f. 05.11.2014)	202	0.00	05/11/2014	-	-	202	0.00
		-	-	31/03/2015	-	-	202	0.00
2	Devendra Agrawal Chief Financial Officer (Appointed as KMP w.e.f. 05.11.2014)	200	0.00	05/11/2014	-	-	200	0.00
		-	-	31/03/2015	-	-	200	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	46,126.60	-	46,126.60
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	223.38	-	223.38
TOTAL (i+ii+iii)	**-**	**46,349.98**	**-**	**46,349.98**
Change in Indebtedness during the financial year	-	-	-	
Addition (due to exchange rate fluctuation)	-	1,911.84	-	1,911.84
Reduction	-	-	-	-
Net Change	**-**	**1,911.84**	**-**	**1,911.84**
Indebtedness at the end of the financial year	-	-	-	
i) Principal Amount	-	48,038.44	-	48,038.44
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	221.04	-	221.04
TOTAL (i+ii+iii)	**-**	**48,259.48**	**-**	**48,259.48**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ lacs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager						Total Amount
		Mr. Jignesh Shah[1] (Managing Director)	Mr. Dewang Neralla[2] (Whole-time Director)	Mr. Manjay Shah[3] (Whole-time Director)	Mr. Prashant Desai[4] (Managing Director & CEO)	Mr. Jigish Sonagara[5] (Whole-time Director)	Mr. Rajendra Mehta[6] (Whole-time Director)	
1	Gross salary	**393.02**	**259.12**	**283.64**	**62.27**	**60.20**	**38.71**	**1,096.95**
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	392.77	259.05	283.38	62.27	60.06	38.71	1,096.23
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.25	0.07	0.25	-	0.14	-	0.72
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-	-	-
2	Stock Option	-	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-	-
4	Commission							
	- as % of profit	-	-	-	-	-	-	-
	- others, specify… (Commission provision for F.Y. 2014-15 to be paid in F.Y. 2015-16 after adoption of the Annual Report for F.Y. 2014-15)	450.00	-	-	325.00	125.00	100.00	1,000.00
5	Others, please specify Gratuity & Leave encashment on termination paid included in above however not to be considered for calculation of managerial remunearion u/s 198 of the Companies Act 2013	(205.64)	(110.95)	(103.53)	-	-	-	(420.12)
	Total (A)	**637.38**	**148.16**	**180.11**	**387.27**	**185.20**	**138.71**	**1,676.83**
	Ceiling as per the Act	₹ 2,031.37 Lacs (Being 10% of the net profit of the Company calculated as per section 198 of the Companies Act 2013)						

Note:

1. Mr. Jignesh Shah ceased to be a Managing Director w.e.f. 20.11.2014
2. Mr. Dewang Neralla ceased to be a Whole-time Director w.e.f. 20.11.2014
3. Mr. Manjay Shah ceased to be a Whole-time Director w.e.f. 20.11.2014
4. Mr. Prashant Desai appointed as Whole-time Director w.e.f. 07.11.2014 and appointed as Managing Director and CEO w.e.f. 21.11.2014
5. Mr. Jigish Sonagara appointed as Whole-time Director w.e.f. 21.11.2014
6. Mr. Rajendra Mehta appointed as Whole-time Director w.e.f. 21.11.2014

B. Remuneration to other directors:

(₹ lacs)

Sr. No.	Particulars of Remuneration	Fee for attending board/ committee meetings	Commission paid for F.Y. 2013-14	Others, please specify	Total Amount
1.	Independent Directors				
	Mr. Venkat Chary	10.20	32	-	42.20
	Mr. A. Nagarajan	9.10	26	-	35.10
	Mr. S. Rajendran	9.20	26	-	35.20
	Ms. Nisha Dutt[1]	1.00	-	-	1.00
	Just. Rajan Kochar (Retd.)	9.20	34	-	43.20
	Mr. R.Devarajan[2]	-	12	-	12.00
	Total (1)	**38.70**	**130**		**168.70**
2.	Other Non-Executive Directors				
	Mr. Anil Singhvi[3]	1.20	-	-	1.20
	Mr. Berjis Desai[4]	0.60	-	-	0.60
	Mr. Sunil Shah[5]	1.20	-	-	1.20
	Mr. Miten Mehta[6]	-	-	-	-
	Total (2)	**3.00**	**-**	**-**	**3.00**
	Total (B)=(1+2)	**41.70**	**130**	**-**	**171.70**
	Total Managerial Remuneration				**1848.53**
	Ceiling as per the Act	₹ 203.14 Lacs (Being 1% of the net profit of the Company calculated as per section 198 of the Companies Act 2013)			
	Overall Ceiling as per the Act	₹2234.51 lacs (Being 11% of the net profit of the Company calculated as per section 198 of the Companies Act 2013)			

1. Appointed w.e.f. 20.11.2014
2. Ceased w.e.f. 20.08.2013
3. Appointed w.e.f. 07.11.2014
4. Appointed w.e.f. 07.11.2014
5. Appointed w.e.f. 20.11.2014
6. Appointed w.e.f. 20.11.2014

Note:

(a) The provision made for commission during the F.Y. 2013-14 is paid during the F.Y. 2014-15.

(b) The commission provision of ₹ 200 lacs for Non-Executive Directors for the financial year ended March 31, 2015 will be paid after adoption of the Accounts by the shareholders at the Annual General Meeting.

(c) Payment of ₹46.96 Lacs plus taxes were made to Mr. Miten Mehta and ₹8.73 Lacs plus taxes to Mr. Sunil Shah towards professional charges during the period of their Directorship in the financial year 2014-15.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(₹ lacs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Devendra Agrawal, Chief Financial Officer*	Hariraj Chouhan, Company Secretary**	Total
1.	Gross salary	29.92	12.83	42.75
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	29.92	12.70	42.62
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	0.13	0.13
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others, specify…	-	-	-
5.	Others, please specify	-	-	-
	TOTAL	**29.92**	**12.83**	**42.75**

* Appointed as Key Managerial Personnel (KMP) w.e.f. 05.11.2014

** Appointed as Key Managerial Personnel (KMP) w.e.f. 05.11.2014

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES*:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding Fees imposed	Authority (RD/ NCLT/Court)	Appeal made, if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

*During the FY. 2014-15 the Company/erstwhile directors has filed 9 (Nine) compounding applications with Registrar of Companies, Chennai.

For and on behalf of the Board of Directors

	Venkat Chary	**Prashant Desai**
Place: Pawana Nagar, Pune	Chairman	Managing Director & CEO
Date: August 8, 2015	DIN: 00273036	DIN: 01578418

ANNEXURE - V

Details of Ratio of Remuneration of Director [Section 197(12), r/w Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014]

<table>
<tr><td rowspan="8">1.</td><td rowspan="8">The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year</td><td>Name of the Director</td><td colspan="2">Ratio to the Median</td></tr>
<tr><td>Jignesh Shah (upto 20.11.2014)</td><td colspan="2">102.64</td></tr>
<tr><td>Dewang Neralla (upto 20.112014)</td><td colspan="2">23.86</td></tr>
<tr><td>Manjay Shah (upto 20.112014)</td><td colspan="2">29.00</td></tr>
<tr><td>Prashant Desai (upto 07.112014)</td><td colspan="2">62.36</td></tr>
<tr><td>Jigish Sonagra (upto 21.112014)</td><td colspan="2">29.82</td></tr>
<tr><td>Rajendra Mehta (upto 21.112014)</td><td colspan="2">22.34</td></tr>
<tr><td colspan="3">Salary mentioned above is only for period of their Directorship</td></tr>
<tr><td>2.</td><td>The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive officer, Company Secretary or Manager, if any, in the financial year</td><td colspan="3">All the Directors/ KMPs were appointed/ceased during the year and they have received No increase during their tenure as Director/ KMP</td></tr>
<tr><td>3.</td><td>The percentage increase in the median remuneration of employees in the financial year</td><td colspan="3">The percentage increase in the median remuneration during the financial year is 11.69%. This has been arrived at, by comparing the median remuneration of the cost-to-the company as on March 31, 2014, and the median remuneration of the cost-to-the Company as on March 31, 2015</td></tr>
<tr><td>4.</td><td>The number of permanent employees on the rolls of Company</td><td colspan="3">The total number of employees as on March 31, 2015 was 872</td></tr>
<tr><td>5.</td><td>The explanation on the relationship between average increase in remuneration and company performance</td><td colspan="3">During FY 2013-14, there was loss whereas in FY 2014-15 the Company has net profit. An average increase of 12% was given, which is in line with the industry benchmarks for that year.</td></tr>
<tr><td>6.</td><td>Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company</td><td colspan="3">The remuneration of the KMPs was 10.68% of the revenue and 3.86% of the Profits.</td></tr>
<tr><td rowspan="6">7.</td><td rowspan="6">Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year</td><td>Particulars</td><td>March 31, 2015</td><td>March 31, 2014</td></tr>
<tr><td>Share price at March 31</td><td>191.70</td><td>373.60</td></tr>
<tr><td>No. of Equity Shares</td><td>46078537</td><td>46078537</td></tr>
<tr><td>PE Ratio</td><td>1.98</td><td>NA</td></tr>
<tr><td>Market Capitalisation</td><td>8833.25</td><td>17214.94</td></tr>
<tr><td colspan="3">(₹ in million)</td></tr>
<tr><td>8.</td><td>Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration</td><td colspan="3">Average % increase for employees was 12%. The increase in remuneration was with the approval of the Nomination & Remuneration Committee. All the Directors/ KMPs were appointed/ceased during the year and no person was Director / KMP for the full year, hence not comparable and accordingly details of % increase has not been given</td></tr>
<tr><td rowspan="10">9.</td><td rowspan="10">Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company</td><td>Name of the Director</td><td>% of Revenue</td><td>% of PAT</td></tr>
<tr><td>Jignesh Shah</td><td>3.96%</td><td>1.43%</td></tr>
<tr><td>Dewang Neralla</td><td>0.92%</td><td>0.33%</td></tr>
<tr><td>Manjay Shah</td><td>1.12%</td><td>0.40%</td></tr>
<tr><td>Prashant Desai</td><td>2.40%</td><td>0.87%</td></tr>
<tr><td>Jigish Sonagra</td><td>1.15%</td><td>0.42%</td></tr>
<tr><td>Rajendra Mehta</td><td>0.86%</td><td>0.31%</td></tr>
<tr><td>Devendra Kumar Agrawal</td><td>0.19%</td><td>0.07%</td></tr>
<tr><td>Hariraj Chouhan</td><td>0.08%</td><td>0.03%</td></tr>
<tr><td colspan="3">*all salaries are for the part of the year and pertain to only their period of Directorship/KMPship</td></tr>
<tr><td>10.</td><td>The key parameters for any variable component of remuneration availed by the directors</td><td colspan="3">Key parameters for Variable Compensation is Company's PAT and Revenue</td></tr>
<tr><td>11.</td><td>The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year</td><td colspan="3">As all directors' remuneration is only for part of the year, such a figure is not comparable with employee remuneration for full year</td></tr>
<tr><td>12.</td><td>Affirmation that the remuneration is as per the remuneration policy of the company</td><td colspan="3">Yes the remuneration is as per the Remuneration Policy of the Company</td></tr>
</table>

FORMS PART OF ANNEXURE-V

Information pursuant to Section 197 of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, for the year ended March 31, 2015

(₹ lacs)

Name	Date of Joining	Age	Qualification	Designation	Experience (No. of years)	Total	Last Employment	Designations
(A) Employed for full year								
Prashant Desai	10-Dec-12	43	B.Com, CA, ICWA,	MD & CEO	19	937.24	Seagull Value Consultans LLP and Seagull IR Solutions P Limited	Founder
Jigish Sonagara	01-Oct-04	39	B Com, CA, Diploma	Whole Time Director	18	373.33	AUDITime Information Systems India Pvt. Ltd.	Director
Rajendra Mehta	13-Aug-12	49	B.Com, CA	Whole Time Director	26	197.52	CLSA India Limited	Chief Operating Officer
Paras Ajmera	01-Oct-05	42	B.E.	President - Operations	19	948.44	Self Employment	-
Shalaka Gadekar	22-Sep-09	49	BA, LLB, PGC in HRM	Group Head - Human Resources	27	59.04	Future Generali	Chief - Human Capital
Parag Ajmera	01-Nov-01	46	B.E.	Chief Business Officer	16	80.89	Tej Technologies	Sr. System Analyst
Devendra Agrawal	12-Dec-05	45	B.Com, M.Com, CA	Chief Financial Officer	21	98.40	Transworks Information Service Ltd (AV Birla Group Company)	General Manager - Finance
Pratap Polkam	28-Dec-99	42	PG in Computer Maintenance Engg.	Chief Technology Officer	21	74.73	Global Network Technology	Technical Support Engineer
Rohit Ambosta	17-Oct-05	39	B.E.	Chief Information Officer	17	77.36	Mahindra British Telecom Ltd.	Consultant
Mehmood Vaid	03-Sep-12	42	B.Com, MBA	Head - Exchange Technology	25	82.73	Bonton Tours Pvt Ltd	Chief Consulting Officer
Sameer M Vasani	01-Apr-00	40	B.E.	Sr. Vice President	17	66.32	First Employment	-
(B) Employed for part of the year with average salary above ₹ 5 lacs per month								
Jignesh Shah	24-Jan-95	48	B.E.	Managing Director	27	637.38	The Stock Exchange Mumbai (BSE)	Business Analyst (Project BOLT)
Dewang Neralla	01-Jun-95	46	B.E.	Whole Time Director	20	148.16	The Stock Exchange Mumbai (BSE)	Deputy Manager (Information Technology)
Manjay Shah	03-Jan-02	44	Diploma in Electronics	Whole Time Director	13	180.11	First Employment	-
Miten Mehta	01-Jul-13	46	B.E, Executive Programme in E-Business	President	19	67.05	KloudData	Co Founder and Chief Operating Officer
Shreekant Javalgekar	01-Oct-14	60	B.Com, MBA	President - Special Affairs	38	108.18	Multi Commodity Exchange of India Ltd	MD & CEO
Mihir Kamdar	01-Dec-14	34	B.Com, LLB, Solicitor	Head - Legal	8	22.66	Udwadia and Udeshi & Argus Partners	Associate Partner

Notes:

1. The above remuneration includes basic salary, allowances, taxable value of perquisities excluding company contribution towards PF etc. Above also includes commission for the year to Executive Directors. It also excludes gratuity and compensated absences which are actuarially valued and where separate amounts are not identifiable and which are paid on termination of services. The term remuneration has meaning assigned to it in the explanation to Section 198 of the Companies Act 2013.
2. Mr. Manjay Shah is a relative of Mr. Jignesh Shah - Managing Director of the Company.
3. Except Mr. Jignesh Shah, none of employees hold by himself or along with his spouse and dependent children more than than two percent of the equity shares of the Company.
4. Nature of employment, in all cases is contractual.

For and on behalf of the Board of Directors

	Venkat Chary	**Prashant Desai**
Place: Pawana Nagar, Pune	Chairman	Managing Director & CEO
Date: August 8, 2015	DIN: 00273036	DIN: 01578418

ANNEXURE - VI

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") and as per applicable provisions of the Companies Act, 2013 following disclosures are made in connection with the "Financial Technologies (India) Limited – Employee Stock Option Scheme 2009 and 2010.

Sr. No.	Description	ESOP – 2009	ESOP-2010
a.	Options granted out of the lapsed/cancelled stock options during the year	Nil	Nil
b.	Exercise price per option (₹ 167/- per stock option i.e. 25% discounted price, pursuant to the approval given by the shareholders at the 26th AGM held on September 23, 2014)	₹ 167	₹ 167
c.	Options vested	5,12,907	4,64,546
d.	Options exercised	**Nil**	**Nil**
e.	The total number of shares arising as a result of exercise of option	Nil	Nil
f.	Options lapsed/forfeited	70,485	1,07,713
g.	Variations of terms of options	Modification of exercise period of three months from date of vest to three years from the date of vest. Modified exercise price to ₹ 167/- per stock option.	
h.	Money realized by exercise of options	Nil	Nil
i.	Total number of options in force	5,44,010	4,95,693
j.	Employee wise details of options granted during the year– i) Senior Management Personnel ii) Employees who receive a grant in any one year of option amounting to 5% or more of options granted during that year iii) Employees to whom options equal to or exceeding 1% of the issued capital have been granted during the year	 Nil Nil Nil	 Nil Nil Nil
k.	Diluted EPS	96.30	96.30
l.	Fair value of the options granted on: 14/03/2012 05/03/2013	109.41 139.71	109.41 139.71
m.	The Company has followed the intrinsic value-based method of accounting for stock options granted after 1st 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 have been lower by ₹ 3168.74 Lacs and earnings per share as indicated as below: Adjusted EPS ₹ - Basic 89.73 - Diluted 89.44	
n.	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 ii) Option life iii) Dividend yield iv) Risk-free interest rate 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.	Refer note no. 40 to Standalone Financial Statements.	

Also refer note no. 40 to the Standalone Financial Statements on stock based compensation.

For and on behalf of the Board of Directors

	Venkat Chary	**Prashant Desai**
Place: Pawana Nagar, Pune	Chairman	Managing Director & CEO
Date: August 8, 2015	DIN: 00273036	DIN: 01578418

ANNEXURE - VII

SECRETARIAL AUDIT REPORT

For the financial year ended 31st March, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members

Financial Technologies (India) Limited

Shakti Tower 1, 7th Floor,

Premises E, 766, Anna Salai, Thousand Lights

Chennai 600002.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to corporate practices by **Financial Technologies (India) Limited** (hereinafter called 'the Company') for the audit period covering the financial year ended on 31st March, 2015. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit; we hereby report that in our opinion, the Company has, during the audit period generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the Rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the Rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

  (c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999

  (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

  (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(vi) Information Technology Act, 2000 and the rules made thereunder

We have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with the Stock Exchanges.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines etc. *However, Mr. Miten Mehta (DIN: 06749055), Non-Executive Director of the Company was paid consultancy fee for professional services rendered by him for which the Company is seeking approval of the shareholders required under Section 188(1)(f) of the Act and a Notice dated 24th July, 2015 for voting by postal ballot on the same is issued by the Company.*

During the period under review, provisions of the following regulations were not applicable to the Company:

(i) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(ii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(iii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(iv) Secretarial Standards issued by The Institute of Company Secretaries of India (since not approved by the Central Government).

We further report that-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

The board meetings were called at shorter notices to transact business which were considered urgent by the management. However, independent directors were present at such meetings as provided in Section 173(3) of the Act.

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.

We further report that-

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has:

(i) Sold 7,60,00,000 equity shares (of the face value of ₹10/- each) held in National Bulk Handling Corporation Limited for ₹22,965 Lakhs;

(ii) Sold 1,32,59,575 equity shares (of the face value of ₹10/- each) held in Multi Commodity Exchange of India Limited for ₹89,045 Lakhs;

(iii) Sold 2,71,65,000 equity shares and 56,24,60,000 warrants held in MCX Stock Exchange Limited for ₹8,844 Lakhs;

(iv) Obtained approval from its Board to sell 77,75,515 equity shares (of the face value of ₹10/- each) held in Indian Energy Exchange Limited;

(v) Approved via postal ballot to sell the entire stake held by FT Group Investments Private Limited (FTGIPL), a wholly owned subsidiary of the Company in Bourse Africa Limited, Mauritius, a wholly owned subsidiary of FTGIPL.

We have not separately reported certain important developments affecting the Company as the same are disclosed vide Note nos. 45 to 62 to the Notes forming part of the standalone financial statements for the year ended on 31st March, 2015.

For BNP & Associates
Company Secretaries

Keyoor Bakshi
Partner
FCS 1844 / CP No.2720

Place: Pune
Date: August 8, 2015

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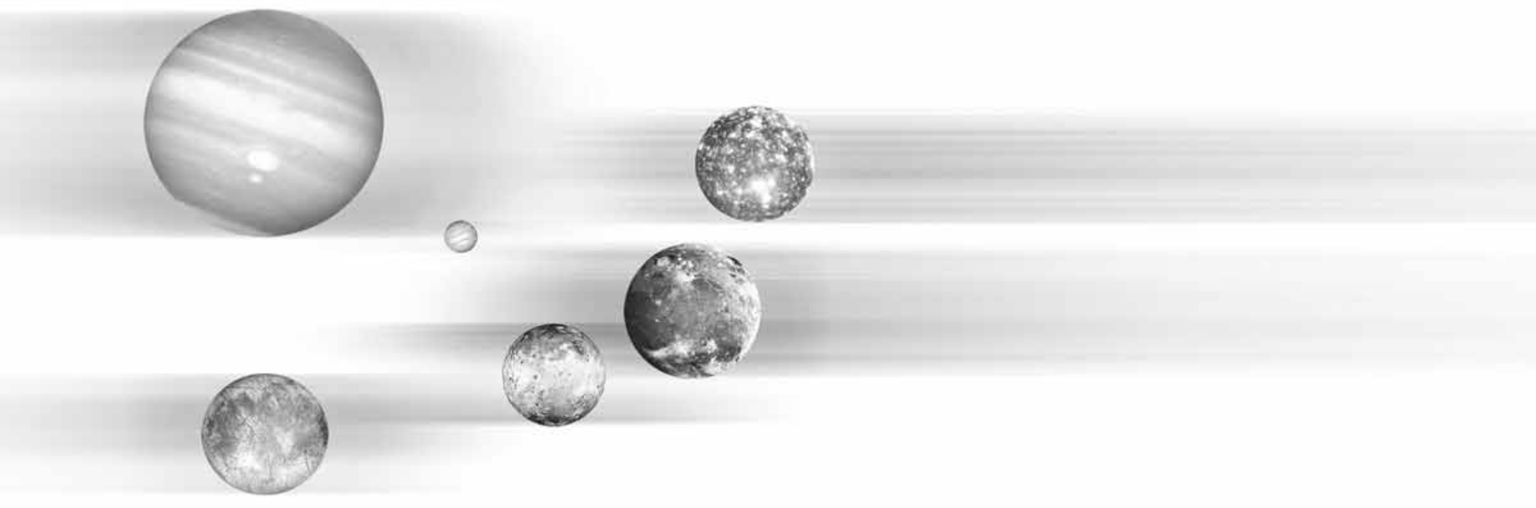
Management Discussion & Analysis



MANAGEMENT DISCUSSION & ANALYSIS

INDIAN FINANCIAL MARKETS REVIEW:

Indian economy clocked a GDP growth of 7.4% in 2014-15 based on the new series released by the Central Statistics Office (CSO). Based on this new series, GDP growth for the year 2015-16 is expected to be between 8-8.5%. The government managed to achieve a fiscal deficit of 3.9% and expects to reduce the same to 3% of GDP within 3 years.

The monetary policy remains accommodative with RBI having reduced benchmark interest rates by 75 basis points in 2015. RBI has targeted inflation rate of 6% by January, 2016 with the risks of achieving the same being broadly balanced. However, with IMD forecasting monsoons in India expected to be 88% of long period average, there remains a possibility of food inflation spiking later in the year.

The recent decline in oil prices is likely to significantly benefit the Indian economy with the country importing more than 75% of its crude oil imports. Falling prices should enable the government to bring down the oil subsidies which in turn should improve fiscal deficit and have a salutary impact on inflation.

GLOBAL FINANCIAL MARKETS REVIEW:

Global economic environment has stabilized even as overall growth remains subdued. IMF has projected that the global economy will grow at 3.3% in 2015 with a gradual pick up in advanced economies balanced by a slowdown in emerging markets and developing economies. In 2016, IMF expects growth to strengthen to 3.8%.

North America witnessed a slow start to the year driven by one off factors such as harsh winter weather and port closure. Further, strong fall in oil prices has also resulted in downsizing of capital expenditure in oil sector contributing to weakening of activity in North America.

Economic environment in Europe had been recovering with many euro nation economies showing improved economic performance. However, recent developments in Greece which has resulted in Greece defaulting in its payment obligations to IMF, is likely to have a significant impact on the business environment in Europe, thereby impacting growth.

Growth in Emerging market and developing economies have been impacted by falling commodity prices, the rebalancing in China, and structural bottlenecks, as well as economic distress related to geopolitical factors. The recent declines in Chinese stock markets have raised concerns that the weakness will spill over to the broader economy, resulting in further slowdown in Chinese economy.

Monetary Policy in general remains accommodative though Federal Reserve (Fed) is widely expected to raise benchmark interest rate in September 2015. Apart from the reaction to the expected increase in interest rates in USA, continuing weakness in commodity prices and any further signs of weak economic output in China are likely to be major factors in determining the global growth outlook in near term.

The details on Business Overview for fiscal year 2014-15, Technology Business, Divestments, Business Outlook and Legal Matters are covered in the Directors' Report (Page 17 and 18).

Balance Sheet

As a result of the various divestment undertaken by your Company over the last two years, your Company has a strong balance sheet with a cash reserves of ₹ 197,558.55 lakhs (including investments in Mutual Funds and Bonds) as at 31st March, 2015. This does not include cash to be generated from other exits like IEX, Bourse Africa, Bahrain Financial Exchange and Dubai Gold & Commodity Exchange and Atom Technolgoies. Further, your Company has a strong talent pool of 850+ employees and a world class intelligent infrastructure in FT Tower. Your Company is now gearing to enter into a new phase of growth building on the Digital India vision of our Hon'ble Prime Minister.

New Vision

Your Company has been always blessed to be ahead by 10 years in identifying trends and making them commercially viable since 1995. All this through unparalleled ventures which are not just best in India but have set global benchmarks. The footprints of our business extended from trading technologies such as ODIN and net.net to the exchanges of global stature such as MCX & IEX in India and SMX & DGCX in international financial centers of Singapore and Dubai respectively. We have not just created shareholder value and a nation-wide market but also social impact of creating one million jobs for young, enterprising and aspiring India.

63 moons™ will create a laboratory of global standard on lines of Bell Labs, Google Labs and Apple Labs which will explore innovative technology IPs in the key areas of Internet of Things (IOT), Artificial Intelligence, Speech Recognition, Behavioral Science including Real Time Data Analytics including Predictive, SMAC and 4G. The lab is named as JS Innovation Lab, as a mark of recognition and respect to our founder who built FTIL from grounds up.

63 moons™ will actively participate and partner in the development of technologies and innovative IPs in new generation verticals that among other include, Medicine/ Life Sciences, Space, Sports, Education, Digital Media, Robotics, E-Commerce (3.0) Financial Markets and Agri Tech.

Going forward we are keen and committed to create a vast universe of businesses around digital ecology, which will be the mainstream business of the 63 Moons™. We will remain in the realm of technology but will strive to expand its sphere of influence in the new generational businesses built around it. we will create a structure that will ignite true innovation. We will nurture it, support it and make it commercially relevant, so that it has maximum social impact.

With our feet on the ground and balanced mind we have set our vision to partner 108 new Digital Giants over the next 10 years where we believe that India is poised to have 10,000 digital brands compared to 100,000 new digital brands built by China in the past 10 years.

FINANCIAL POSITION AND RESULT OF OPERATIONS

Overview

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 ("the 2013 Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the 2013 Act, as applicable.

The Consolidated financial statements have been prepared in compliance with the Accounting Standard AS 21, AS 23 and AS 27 issued by the Institute of Chartered Accountants of India (ICAI) as notified under the Companies (Accounts) Rules, 2014.

The discussion on financial performance in the Management Discussion and Analysis relate to the standalone financial statement of the Company.

Shareholder's Equity

Your Company's authorised share capital is ₹ 3000 lacs, divided into 1500 lacs equity shares of ₹ 2 each. The paid up share capital of your company stood at ₹ 921.57 lacs. 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 amounted to ₹ 277,072.63 lacs as on March 31, 2015 as against ₹ 240,028.64 lacs as on March 31, 2014, increased on account of net profit during the year.

During the year, there was no change in Securities premium account which stood at ₹ 41,746.61 lacs as on March 31, 2015.

General reserve as at March 31, 2015 stood at ₹ 26,413.15 lacs. During the year, there was no change in general reserve.

Shareholders' Funds

Total shareholder funds stood at ₹ 277,994.20 lacs as on March 31, 2015 as against ₹ 240,950.21 lacs as on March 31, 2014.

Loan Funds

During the year ended March 31, 2012, the Company had availed External commercial borrowings (ECB) aggregating to USD 110.00 million partly for investments in overseas wholly owned subsidiary companies and partly to repay the Zero Coupon Convertible Bonds.

In view of the developments in NSEL, various lenders of External Commercial Borrowings (ECB) raised concerns regarding on repayment of their loans and, after negotiations with the lenders, the Company has made part prepayment of ECB loan of USD 33.25 million during the previous year out of the total ECB loan of USD 110.00 million in compliance with the ECB guidelines. The outstanding ECB balance amounted to USD 76.75 million (equivalent to ₹ 48,038.44 lacs as at March 31, 2015 as against ₹ 46,126.60 lacs as at March 31, 2014). 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 ₹ 2,244.18 lacs compared to ₹ 2,524.64 lacs 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 ₹ 249.45 lacs as compared to ₹ 531.60 lacs at the end of previous year.

Other Liabilities (current + non current)

Other liabilities at the end of the year amounted to ₹ 10,252.99 lacs as against of ₹ 25,060.52 lacs at the end of previous year. It mainly includes advances received from customers, income received in advance/ unearned revenue and other contractual obligations. The decrease during the year is mainly on account of decrease in advance from customers and income received in advance/unearned revenue.

Provisions (short term + long term)

Total provisions as at the end of the year increased to ₹ 4,015.14 lacs as against of ₹ 2489.52 lacs at the end of the previous year mainly due to proposed final dividend.

Investments (current + non-current)

The total investments (net of provision) as at March 31, 2015 were at ₹ 236,189.65 lacs as compared to ₹ 127,715.90 lacs as at March 31, 2014. The investments mainly comprised of investment in mutual funds, bonds and investments in subsidiaries, joint venture & associate companies. During the year, cash reserves of the Company have substantially increased on account of the sale of investments in MCX, NBHC and MCX-SX. Cash reserve which includes cash and bank balance, fixed deposit, investments in Mutual funds and Bonds stood at ₹ 197,559 lacs as against ₹ 77543 Lacs in previous year. In view of the NSEL event and considering the current scenario, the Company has made an additional provision of ₹ 73227 lacs towards provision for diminution in the value of investments which includes provision of ₹1,500.00 lacs towards investments in NSEL.

Fixed Assets:

The movement in Fixed Assets is shown in the table below

(₹ lacs)

As on March 31,	2015	2014
Freehold Land	4666.60	4666.60
Buildings	30390.17	30390.17
Improvement To Leasehold Premises	189.49	189.49
Office Equipments	5572.45	5489.41
Computer Hardware	4728.80	4855.82
Furniture and Fixtures	4836.61	4843.62
Vehicles	673.33	682.39
Intangible assets including Software, Technical know-how etc.	3797.98	3801.70
Gross Block	54855.43	**54919.20**
Less: Accumulated Depreciation/ Amortisation	11971.90	8385.42
Net Block	**42883.53**	**46533.78**

During the year, the additions to fixed assets were at ₹ 392.96 lacs.

Trade Receivables

As at the end of year, trade receivables (net of provision) were at ₹ 1662.78 lacs as compared to ₹ 6,775.60 lacs at the end of the previous year, decreased by 5112.82 lacs.

Loans & Advances (current + non-current)

At the end of the year, Loans and advances (current + non-current) (net of provision) amounted to ₹ 35,232.61 lacs as against ₹ 122,811.86 lacs at the end of previous year. Decrease is mainly due to conversion of loan given to a subsidiary company in to equity during the year and repayment of loan by another subsidiary. Further MAT credit entitlement increased to ₹ 19,270.02 lacs at the end of the year as against ₹ 9,188.82 lacs at the end of the previous year.

Cash & Cash Equivalents:

At the end of the year cash & cash equivalent stood at ₹ 10,992.95lacs as compared to ₹ 11,919.08 lacs at the end of the previous year.

Other Assets (current and non-current):

At the end of the year, other assets amounted to ₹ 15,832.88 lacs as against ₹ 1,926.87 lacs at the end of the previous year.

Revenue Analysis

During the year, revenue from operations stood at ₹ 16,103.11 lacs compared to ₹ 33,471.49 lacs in the previous year. Your Company mainly derived revenues from sale of IPR licenses, annual maintenance charges and project-based services, including software customization. Revenue was decreased during the year mainly due to lower variable charges from the exchanges on account of lower volume of the exchanges and lower fixed AMC charges due to renegotiation and waiver.

Other Income

During the year, other income stood at ₹ 44,264.90 lacs as compared to ₹ 20,655.17 lacs in the previous year. Other Income includes dividend income from investments, interest on deposits / loan to subsidiaries / investments, profit on sale of investments (other than those disclosed separately under exceptional items), rental income etc. During the year, dividend income from investments was ₹ 16916.97 lacs (previous year ₹ 3310.37 lacs). Further there was other income of ₹ 12983.20 lacs on account of advance written back due to cancellation of agreement and in terms of the agreement.

Expense Review

During the year, employee benefits expenses were ₹ 12,091.10 lacs as compared to ₹ 12,275.19 lacs in the previous year and finance cost was at ₹ 2,266.12 lacs as compared to ₹ 3,053.82 lacs in the previous year.

Other expenses during the year were ₹ 15,379.20 lacs as compared to ₹ 12,599.99 lacs in the previous year. The increase was mainly due to higher legal and professional charges during the year due to various ongoing legal cases.

Exceptional Items

During the year, exceptional items stood at profit of ₹ 24,282.09 lacs compared to loss of ₹ 41,152.11 lacs in previous year. Under the exceptional items during the year includes (a) gain of ₹ 98789.50 lacs on sale of investments in shares (net of expenses) of MCX, NBHC and MCX-SX (b) provision for other than temporary diminution in the value of investments and loss on account of capital reduction in the investments of subsidiaries were ₹ 73226.82 lacs and (c) provision of ₹ 1280.59 lacs towards doubtful loans and advances receivable from subsidiaries. The same was discussed elsewhere in the notes to Accounts which forms parts of the Annual report.

Profit/ (Loss)

Your Company has reported net profit during the year.

- Profit before finance cost, depreciation, exceptional items and tax was ₹ 32,896.06 lacs, compared to ₹ 29,245.39 lacs in the previous year.
- Profit before tax and exceptional items were ₹ 26,724.21 lacs, compared to ₹ 23,116.71 lacs in the previous year.
- Profit before tax were ₹ 51,006.3 lacs, compared to loss of ₹ 18,035.40 lacs in the previous year.
- Net Profit after tax was ₹ 44,513.88 lacs, compared to net loss of ₹ 22,854.85 lacs 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.

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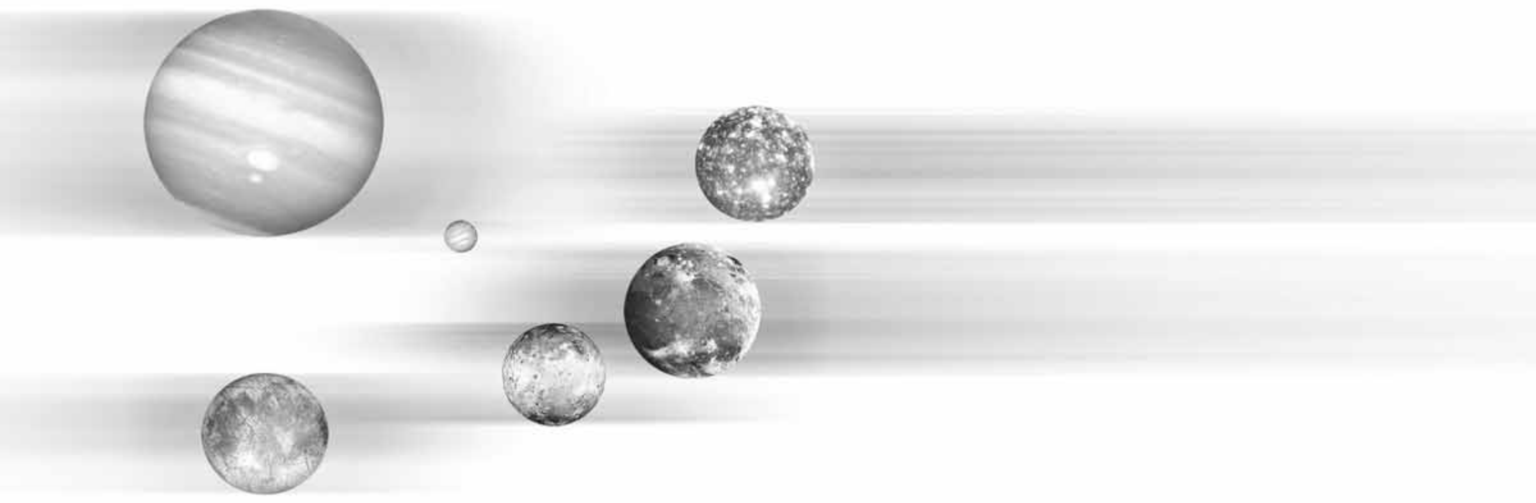
Corporate Governance Report



CORPORATE GOVERNANCE

REPORT ON CORPORATE GOVERNANCE

In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges, the detailed report on Corporate Governance for the Financial Year 2014-15 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 behavior.

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.

The Company's governance framework is based on the following principles:

- Well informed and Independent Board to ensure highest standards of corporate governance;
- Systems and processes in place for Internal control;
- Board overseeing function of FTIL's Management and thus protects long term interests of stakeholders.
- Timely disclosure of material, operational and financial information to the stakeholders;

Governance Structure:

The Corporate Governance structure at FTIL is as follows:

a. Board of Directors: The Board provides leadership, guidance, objective and independent view to the Company's management to have long-term vision to improve the quality of governance and ensuring that the management complies with ethics, transparency and disclosure requirements. The Company has an established framework for the meetings of the Board and Board Committees. The Board periodically evaluates the management policies and their effectiveness. The Board also reviews related party transactions, risk mitigation measures, reports from Business heads, CFO and Company Secretary

b. Committees of the Board: The Board has constituted the following committees viz., Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility (CSR) Committee and Stakeholders Relationship Committee. Each of the Committees has been mandated to operate within a given framework.

Governance Policies:

The Company has adopted various codes and policies to carry out the duties in an ethical manner to ensure transparency in dealing with all stakeholders. Some of the codes and policies are:

- Code of Conduct for Board and Senior Management
- Code of Conduct for Prohibition of Insider Trading*
- Vigil Mechanism and Whistle Blower Policy
- Corporate Social Responsibility Policy
- Policy for determining Material Subsidiaries
- Policy on Materiality of Related Party Transactions

**The same has been replaced with a new code i.e. Code of conduct to regulate, monitor and report trading by insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information w.e.f. 15th May, 2015.*

2. BOARD OF DIRECTORS (BOARD)

2.1 Size and Composition of Board of Directors:

As on 31st March, 2015, the Board consists of twelve (12) professionally competent members comprising of one Managing Director, two Whole-time Directors, five Independent and four Non-Independent Non-Executive Directors. The composition of the Board during the financial year is as per the table given below:

Name of Director	Director Identification Number (DIN)	Designation	Category	Shareholding in the Company as of 31st March, 2015 (no. of shares[14])
Mr. Jignesh P. Shah[1]	00064913	Managing Director[12]	Promoter & Executive Director	8,329,585
Mr. Dewang Neralla[2]	00107134	Whole-time Director	Promoter & Executive Director	60,374
Mr. Manjay P. Shah[3]	01283910	Whole-time Director	Executive Director	76,918
Mr. Venkat Chary	00273036	Non-Executive Chairman	Independent, Non-Executive Director	Nil
Mr. Prashant Desai[4]	01578418	Managing Director & CEO[13]	Executive Director	2,080
Mr. Jigish Sonagara[5]	07024688	Whole-time Director	Executive Director	1,415
Mr. Rajendra Mehta[6]	00390504	Whole-time Director	Executive Director	Nil
Justice R. J. Kochar(Retd.)	06710558	Director	Independent, Non-Executive	Nil
Mr. A. Nagarajan	02107169	Director	Independent, Non-Executive	Nil
Mr. S. Rajendran	02686150	Director	Independent, Non-Executive	Nil
Ms. Nisha Dutt[7]	06465957	Additional Director	Independent, Non-Executive	Nil
Mr. Anil Singhvi[8]	00239589	Additional Director	Non-Independent, Non-Executive	Nil
Mr. Berjis Desai[9]	00153675	Additional Director	Non-Independent, Non-Executive	Nil
Mr. Sunil Shah[10]	02569359	Additional Director	Non-Independent, Non-Executive	Nil
Mr. Miten Mehta[11]	06749055	Additional Director	Non-Independent, Non-Executive	Nil

1 Ceased w.e.f. 20/11/2014
2 Ceased w.e.f. 20/11/2014
3 Ceased w.e.f. 20/11/2014
4 Appointed w.e.f. 07/11/2014
5 Appointed w.e.f. 21/11/2014
6 Appointed w.e.f. 21/11/2014
7 Appointed w.e.f. 20/11/2014
8 Appointed w.e.f. 07/11/2014
9 Appointed w.e.f. 07/11/2014
10 Appointed w.e.f. 20/11/2014
11 Appointed w.e.f. 20/11/2014
12 Managing Director till 20/11/2014
13 Managing Director & CEO w.e.f. 21/11/2014
14 As on the date of cessation for ceased Directors

2.2 Independent Directors:

The Non-Executive Independent Directors fulfill the conditions of Independence specified in Section 149(6) of the Companies Act, 2013 and Rules made thereunder and meet the requirements of Clause 49 of the Listing Agreement. A formal letter of appointment stating the terms and conditions of the Independent Director as required under the Companies Act, 2013 and Clause 49 of the Listing Agreement is posted on the website of the Company www.ftindia.com.

2.3 Board Meetings

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

The Board of Directors met twenty-nine (29) times during the year. The dates of meetings being 02nd April 2014, 25th April 2014, 02nd May 2014, 08th May 2014, 10th May 2014, 24th May 2014, 30th May 2014, 25th June 2014, 20th July 2014, 09th August 2014, 13th August 2014, 26th August 2014, 15th September 2014, 25th September 2014, 22nd October 2014, 03rd November 2014, 05th November 2014, 07th November 2014, 12th November 2014, 15th November 2014, 20th November 2014, 25th November 2014, 06th January 2015, 23rd January 2015, 05th February 2015, 01st March 2015, 05th March 2015, 25th March 2015 and 30th March 2015.

Necessary quorum was present in all the meetings.

In accordance with provisions of the Act and with unanimous consent of the Independent Directors, certain board meetings were called at shorter notices to transact business which were considered urgent by the management, especially for compliance with certain regulatory directions for disinvestment of Company's shareholding in Exchanges, MCA draft order for merger of the Company with National Spot Exchange Ltd. (NSEL), Company Law Petition for removal of your existing Directors.

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 Directors at the Board Meetings held during FY 2014-15 as well as the last Annual General Meeting. It also gives details of the number of other Directorships and Chairmanship/Membership of Committees, such Directors hold in various Companies, as on 31st March, 2015.

Name of Director	No. of Board Meetings held during respective tenure of Director	Attendance Particulars		No. of other Directorships and Committee Membership / Chairmanship		
		Board Meeting	Last AGM	Directorship of other Indian Public Companies	Committee	
					Membership	Chairmanship
Mr. Venkat Chary	29	29	Yes	--	--	--
Mr. Prashant Desai[1]	12	10	N/A	2	2	--
Mr. Jigish Sonagara[2]	8	7	N/A	--	--	--
Mr. Rajendra Mehta[3]	8	8	N/A	--	--	--
Justice R. J. Kochar (Retd.)	29	26	No	--	--	--
Mr. A. Nagarajan	29	28	Yes	--	--	--
Mr. S. Rajendran	29	29	Yes	1	3	--
Ms. Nisha Dutt[4]	8	4	N/A	1	--	--
Mr. Anil Singhvi[5]	12	6	N/A	6	2	4
Mr. Berjis Desai[6]	12	3	N/A	9	10	3
Mr. Sunil Shah[7]	8	6	N/A	--	--	--
Mr. Miten Mehta[8]	8	4	N/A	--	--	--

1. Appointed w.e.f. 07/11/2014
2. Appointed w.e.f. 21/11/2014
3. Appointed w.e.f. 21/11/2014
4. Appointed w.e.f. 20/11/2014
5 Appointed w.e.f. 07/11/2014
6 Appointed w.e.f. 07/11/2014
7 Appointed w.e.f. 20/11/2014
8 Appointed w.e.f. 20/11/2014

The table mentioned below gives the attendance record of ex-Directors (i.e. those who ceased to be Directors during the FY 2014-15) at the Board Meetings held during FY 2014-15 as well as the last Annual General Meeting. It also gives details of the number of other Directorships and Chairmanship/Membership of Committees, such Directors holds in various Companies, on the date of their cessation.

Name of Director	No. of Board Meetings held during respective tenure of Director	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 Shah[1]	21	11	Yes	1	--	--
Mr. Manjay Shah[2]	21	11	No	1	--	--
Mr. Dewang Neralla[3]	21	21	Yes	8	2	2

1. Ceased w.e.f. 20/11/2014
2. Ceased w.e.f. 20/11/2014
3. Ceased w.e.f. 20/11/2014

Notes:

1. *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.*
2. *The committees considered for the above purpose are those as specified in the existing Clause 49 of the Listing Agreement i.e. Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.*
3. *The Company provided Video / Tele-conferencing facility to Directors who were present at other locations to participate in the meetings.*

c) **Board Support:**

The Company Secretary attends the Board/Committee meetings, records minutes of proceedings of each Board and Committee meeting and advises on Compliances with applicable laws and governance.

d) **Post meeting mechanism:**

The important decisions taken at Board/Committee meetings are communicated to the concerned departments/ divisions. Action-taken report on decision/minutes of the previous meeting(s) is placed at the succeeding meeting for noting.

e) **Familiarization programme for Board Members:**

The Directors are provided with requisite Company documents, reports, brochures, policies to enable them to familiarize with Company procedures. Presentations are made to the Board and the Committee from time to time to update them. The Managing Director also has one on one discussion with the newly appointed Director to familiarize with the Company's operations.

The details of such familiarization programme for Independent Directors are posted on the website of the Company and can be accessed at http://www.ftindia.com/investors/corporate governance/FAMILIARIZATION_PROGRAMME_FOR_INDEPENDENT_DIRECTORS.pdf

At the time of appointing a Director, a formal letter of appointment is given to the Directors, which explains the role, function, duties and responsibilities expected from a Director of the Company. The Director is also explained in details the compliance required under the Companies Act, 2013, Clause 49 of the Listing Agreement and other relevant regulations and affirmation taken from the Directors, with respect to the same.

f) **Code of Conduct:**

The Company has formulated and implemented a Code of Conduct for the Board of Directors and Senior Management of the Company (one level below the Board). 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 Managing Director & CEO of the Company regarding compliance of the Code of Conduct by Directors and Senior Management of the Company for the financial year ended March 31, 2015 forms a part of the Corporate Governance Report.

g) **Conflict of Interest**

The Board members informs the Company on annual basis about their Directorship and Committee positions in other companies including Chairmanship and notifies changes during the year. Members of the Board avoid conflict of interest in the decision making process, while discharging their duties.

h) **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. The Code is amended from time to time reflecting the changes brought in by SEBI in the Insider Trading Regulations.

Further, as per Regulation 8(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (the **"Regulations"**) the Company has formulated a 'Code of Practices and Procedures for Fair Disclosure of unpublished Price Sensitive Information' in order to adhere to principles as set out in Schedule A to the aforesaid Regulations.

As per Regulation 9 (1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (the **"Regulations"**) the Company has formulated a code of conduct to regulate, monitor and report trading by its employees and other connected persons, towards achieving compliance with the said Regulations.

2.4 The details of directorship of the Company's Directors in other Indian public Companies as on 31st March 2015 are given below:

Sr. No.	Name of the Director	Other Directorship details
1	Mr. Venkat Chary	Nil
2	Mr. Prashant Desai	(i) FT Knowledge Management Company Ltd., (ii) TickerPlant Limited
3	Mr. Jigish Sonagara	Nil
4	Mr. Rajendra Mehta	Nil
5	Justice R. J. Kochar (Retd.)	Nil
6	Mr. A. Nagarajan	Nil
7	Mr. S. Rajendran	National Spot Exchange Limited
8	Ms. Nisha Dutt	Subex Limited
9	Mr. Anil Singhvi	(i) Hindustan Construction Company Limited, (ii) Institutional Investor Advisory Services India Limited, (iii) HCC Infrastructure Company Limited, (iv) Subex Limited, (v) Greatship (India) Limited, (vi) Lavasa Corporation Limited
10	Mr. Berjis Desai	(i) Praj Industries Limited, (ii) Emcure Pharmaceuticals Limited, (iii) The Great Eastern Shipping Co. Limited, (iv) Greatship (India) Limited, (v) Edelweiss Financial Services Limited, (vi) Himatsingka Seide Limited, (vii) Man Infraconstruction Limited, (viii) Adani Enterprises Limited, (ix) Praj HiPurity Systems Limited
11	Mr. Sunil Shah	Nil
12	Mr. Miten Mehta	Nil

The details of directorship of the Company's ex-Directors' (i.e. those who ceased to be Directors during FY 2014-15) in other Indian public Companies on the date of their cessation are given below:

Sr. No.	Name of the Director	Other Directorship details
1	Mr. Jignesh Shah	National Spot Exchange Limited
2	Mr. Manjay Shah	FT Projects Limited
3	Mr. Dewang Neralla	(i) Riskraft Consulting Limited, (ii) Atom Technologies Limited, (iii) Tickerplant Limited, (iv) Global Payment Networks Limited, (v) Financial Technologies Communications Limited, (vi) FT Projects Limited, (vii) Takshashila Academia of Economic Research Limited, (viii) Credit Market Services Limited

2.5 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 judgment 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 foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Quarterly details of risk related areas which are material in nature and action initiated by the management to mitigate the same.

3. BOARD COMMITTEES:

Details of the Board Committees are provided hereunder:

a) Audit Committee:

Mr. Venkat Chary – Independent Director (Chairman of the Committee)

Justice R. J. Kochar (Retd.) – Independent Director

Mr. A. Nagarajan – Independent Director

Mr. S. Rajendran – Independent Director

b) Nomination & Remuneration Committee:

Justice R. J. Kochar (Retd.) – Independent Director (Chairman of the Committee)

Mr. Venkat Chary – Independent Director

Mr. A. Nagarajan – Independent Director

c) Stakeholders' Relationship Committee:

Justice R. J. Kochar (Retd.) – Independent Director (Chairman of the Committee)

Mr. Venkat Chary – Independent Director

Mr. Prashant Desai – MD & CEO

Mr. Jigish Sonagara – Whole-time Director

d) Corporate Social Responsibility Committee:

Mr. S. Rajendran – Independent Director (Chairman of the Committee)

Mr. A. Nagarajan – Independent Director

Mr. Rajendra Mehta – Whole-time Director

Mr. Jigish Sonagara – Whole-time Director

e) Risk Management Committee:

Mr. S. Rajendran – Independent Director

Mr. Prashant Desai – MD & CEO

Mr. Rajendra Mehta – Whole-time Director

4. AUDIT COMMITTEE

4.1 Composition, Names of Members and Chairperson:

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

Name of the Member	Designation	Attendance Particulars
Mr. Venkat Chary	Chairman/Member	Independent Director
Justice R. J. Kochar (Retd.)	Member	Independent Director
Mr. A. Nagarajan	Member	Independent Director
Mr. S. Rajendran[1]	Member	Independent Director

1. Appointed as member w.e.f. 25/06/2014

The Composition of the Audit Committee is in compliance with the provisions of Section 177 of the Companies Act 2013 and Clause 49 of the Listing Agreement.

4.2 Powers of the Audit Committee

- To call for comments on Auditor's Report, about internal control systems, the scope of the audit, including the observations of the auditors and review of financial statements before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.
- To investigate any activity within its terms of reference and shall have full access to the information and records of the Company.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

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

Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall, inter alia, include,

4.3.1 Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

4.3.2 Recommendation for appointment, remuneration and terms of appointment of auditors of the company;

4.3.3 Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4.3.4 Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013, as may be applicable.

b. Changes, if any, in accounting policies and practices and reasons for the same

c. Major accounting entries involving estimates based on the exercise of judgment by management

d. Significant adjustments made in the financial statements arising out of audit findings

e. Compliance with listing and other legal requirements relating to financial statements

f. Disclosure of any related party transactions

g. Qualifications in the draft audit report

4.3.5 Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

4.3.6 Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

4.3.7 Review and monitor the auditor's independence and performance, and effectiveness of audit process;

4.3.8 Approval or any subsequent modification of transactions of the company with related parties;

4.3.9 Scrutiny of inter-corporate loans and investments;

4.3.10 Valuation of undertakings or assets of the company, wherever it is necessary;

4.3.11 Evaluation of internal financial controls and risk management systems;

4.3.12 Reviewing with the management performance of statutory and internal auditors and adequacy of the internal control systems;

4.3.13 Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

4.3.14 Discussion with internal auditors of any significant findings and follow up there on;

4.3.15 Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

4.3.16 Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

4.3.17 To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

4.3.18 To review the functioning of the Whistle Blower mechanism/Vigil Mechanism;

4.3.19 Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

4.3.20 Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

4.4 Review of information by Audit Committee

The Audit Committee reviews the following information:

4.4.1 Management discussion and analysis of financial condition and results of operations;

4.4.2 Statement of significant related party transactions, submitted by management;

4.4.3 Management letters / letters of internal control weaknesses issued by the statutory auditors;

4.4.4 Internal audit reports relating to internal control weaknesses; and

4.4.5 The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

4.5 Meetings and attendance:

The Audit Committee met eight (8) 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. The Internal Auditor reports directly to the Audit Committee.

4.6 Internal Controls and Governance Processes:

The Company has appointed a firm of Chartered Accountants as Internal Auditors to review and report on the internal control system. The report of the Internal Auditors is reviewed by the Audit Committee. The Internal Auditors submit their recommendations to the Audit Committee which provides a road map for future action.

Name of the Member	No. of Audit Committee Meetings held during the tenure of Members	Attendance Particulars
Mr. Venkat Chary	8	8
Justice R. J. Kochar (Retd.)	8	7
Mr. A. Nagarajan	8	8
Mr. S. Rajendran	5	5

5. RISK MANAGEMENT

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. For further details refer Directors Report.

6. NOMINATION AND REMUNERATION COMMITTEE (NRC)

The Nomination and Remuneration Committee has been constituted to meet the requirements of Section 178 of the Companies Act 2013 and Clause 49 of the Listing Agreement.

6.1 Composition, Names of Members and Chairperson:

The Nomination and Remuneration Committee comprises of three Independent Non-Executive Directors:

Name of the Member	Designation	Attendance Particulars
Mr. Venkat Chary	Chairman[1] / Member	Independent Director
Justice R. J. Kochar (Retd.)	Chairman[2] / Member	Independent Director
Mr. A. Nagarajan	Member	Independent Director

1 Chairman till 08/08/2014

2 Appointed as Chairman w.e.f. 09/08/2014

6.2 Brief Description of terms of reference

The Role, terms of reference and powers of Nomination and Remuneration Committee (NRC), inter-alia, includes the following:

6.2.1 To identify persons who are qualified to become Directors and who may be appointed in the senior management;

6.2.2 To formulate a criteria for determining qualifications, positive attributes and independence of a director;

6.2.3 To recommend to the Board, appointment and removal of the identified directors and senior management personnel based on the laid down criteria and formulated policy;

6.2.4 To formulate criteria for evaluation of Independent Directors and the Board and shall carry out evaluation of every director's performance;

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

6.2.6 To devise a policy on the Board diversity;

6.2.7 To recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees;

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

6.2.9 To evaluate the remuneration paid by comparable organizations;

6.2.10 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.

6.2.11 The Committee shall discharge such other function(s) or exercise such power(s) as may be delegated to the Committee by the Board from time to time.

During the year, the Committee met seven (7) times.

Name of the Member	No. of Nomination & Remuneration Committee Meetings held during the tenure of the member	Attendance Particulars
Mr. Venkat Chary	7	7
Justice R. J. Kochar (Retd.)	7	7
Mr. A. Nagarajan	7	5

6.3 Nomination and Remuneration Policy:

Pursuant to Clause 49 of the Listing Agreement and Section 178 of the Act, the Nomination and Remuneration Committee has adopted a Nomination and Remuneration Policy which has following objectives:

a. guide and recommend to the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management personnel.

b. to evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

c. to recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel, Senior Management Personnel and other employees.

6.4 Directors' Remuneration

i. Remuneration paid to the Executive Directors:

The aggregate value of salary, perquisites paid for the year ended 31st March, 2015 to the Managing Director and Whole-time Directors are as follows:

(Amount in ₹)

Particulars	Jignesh Shah [1] *Managing Director*	Dewang Neralla [2] *Whole-time Director*	Manjay Shah[3] *Whole-time Director*	Prashant Desai[4] *Managing Director & CEO*	Rajendra Mehta[5] *Whole-time Director*	Jigish Sonagara[6] *Whole-time Director*	Total (₹)
Salaries and Allowances*	18,712,970	14,809,461	17,985,376	6,226,562	3,871,213	6,005,612	67,611,194
Monetary value of perquisites	25,300	6,900	25,300	-	-	14,300	71,800
Commission	45,000,000	-	-	32,500,000	10,000,000	12,500,000	100,000,000
TOTAL	**63,738,270**	**14,816,361**	**18,010,676**	**38,726,562**	**13,871,213**	**18,519,912**	167,682,994

1 Ceased w.e.f. 20/11/2014 2 Ceased w.e.f. 20/11/2014 3 Ceased w.e.f. 20/11/2014 4 Appointed w.e.f. 07/11/2014
5 Appointed w.e.f. 21/11/2014 6 Appointed w.e.f. 21/11/2014

*The above remuneration includes basic salary, allowances, taxable value of perquisities excluding company contribution towards PF etc Above also includes commission for the year to executive Directors.It also excludes gratuity and compensated absences which are actuarially valued and where separate amounts are not identifiable and which are paid on termination of services.

ii. Remuneration paid to the Non-Executive Directors

The Company pays sitting fees of ₹ 20,000/- per meeting to the Non-executive Directors for attending the meetings of the Board and of the Audit Committee & Independent Directors meeting and ₹ 10,000/- per meeting to the Non-executive Directors for attending the Nomination & Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Negotiation Committee and Restructuring Committee. The gross sitting fees (including sitting fees paid for attending the meetings of the Directors' Committee) for the year ended 31st March, 2015 is as follows:

Name of the Director	Gross Sitting Fees (₹)
Mr. Venkat Chary	10,20,000
Justice R. J. Kochar (Retd.)	9,20,000
Mr. A. Nagarajan	9,10,000
Mr. S. Rajendran	9,20,000
Mr. Anil Singhvi	1,20,000
Mr. Berjis Desai	60,000
Ms. Nisha Dutt	1,00,000
Mr. Sunil Shah	1,20,000

The details of Commission paid to Directors during the year relating to previous financial year ended March 31, 2014 are provided in MGT-9 forming part of Directors Report. An amount of ₹200 lacs has been provided in the books as Non- Executive Directors' Commission to be paid during the current financial year after adoption of accounts at the AGM. 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.

7. STAKEHOLDERS RELATIONSHIP COMMITTEE

The composition of Stakeholders Relationships Committee is in compliance with Section 178(5) of the Companies Act 2013 and amended Clause 49 of the Listing Agreement.

7.1 Composition, Names of Members and Chairperson:

The Committee comprises of:

Name of the Member	Designation	Category
Mr. Dewang S. Neralla[1]	Member	Whole-time Director
Mr. Manjay P. Shah[2]	Member	Whole-time Director
Justice R. J. Kochar (Retd.)	Chairman/Member	Independent Director
Mr. Venkat Chary	Member	Independent Director
Mr. Jigish Sonagara[3]	Member	Whole-time Director
Mr. Prashant Desai[4]	Member	Managing Director & CEO

1 *Ceased as Member w.e.f. 20/11/2014*
2 *Ceased as Member w.e.f. 20/11/2014*
3 *Appointed as Member w.e.f. 23/01/2015*
4 *Appointed as Member w.e.f. 23/01/2015*

7.2 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: +91-22-67250257 | E: info@ftindia.com

7.3 Brief Description of terms of reference:

The Scope of the Committee inter-alia includes:

7.3.1 Approval of 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.

7.3.2 Consideration and resolution / redressal of the grievances of the security holders of the Company

The Committee met Four (4) times during the year under review.

Name of the Member	No. of Stakeholders Relationship Committee Meetings held during the tenure of the member	Attendance Particulars
Mr. Dewang S. Neralla	2	2
Mr. Manjay Shah	2	0
Justice R. J. Kochar (Retd.)	4	2
Mr. Venkat Chary	4	4
Mr . Jigish Sonagara	2	1
Mr. Prashant Desai	2	2

The status of nature of complaints received, resolved and pending during the financial year ended 31st March, 2015.

Nature of Complaints	Received	Resolved	Pending
Non receipt of dividend	25	25	NIL
Non-receipt of share certificates after transfer/ merger/split/consolidation	2	2	NIL
Non-receipt of Annual Report	4	4	NIL
SEBI/BSE/NSE	32	32	NIL
TOTAL	**63**	**63**	**NIL**

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, 2015.

8. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company constituted a committee namely "Corporate Social Responsibility Committee" as on 9th August 2014 in terms of Section 135 of the Companies Act 2013 read with Clause 49 of the Listing Agreement.

8.1 Composition, Names of Members and Chairperson:

The Committee comprises of:

Name of the Member	Designation	Category
Justice R. J. Kochar (Retd.)[1]	Chairman/Member	Independent Director
Mr. Dewang S. Neralla[2]	Member	Whole-time Director
Mr. S. Rajendran[3]	Chairman/Member	Independent Director
Mr. A. Nagarajan [4]	Member	Independent Director
Mr. Rajendra Mehta[5]	Member	Whole-time Director
Mr. Jigish Sonagara[6]	Member	Whole-time Director

1 Ceased as Chairman/Member w.e.f. 23/01/2015
2 Ceased as Member w.e.f. 20/11/2014
3 Appointed as Chairman/Member w.e.f. 23/01/2015
4 Appointed as Member w.e.f. 23/01/2015
5 Appointed as Member w.e.f. 23/01/2015
6 Appointed as Member w.e.f. 23/01/2015

8.2 Brief Description of terms of reference:

8.2.1 To recommend CSR Policy which inter-alia, elucidates activities to be undertaken by the Company as specified in Schedule VII of the Companies Act 2013;

8.2.2 To recommend amount to be spent on above activities;

8.2.3 To monitor CSR Policy.

8.3 The Company has formulated CSR Policy, duly approved by the Board, which is uploaded on the website of the Company (Weblink: http://www.ftindia.com/investors/corporategovernance/FTIL-CSR-policy.pdf)

8.4 Meeting and attendance:

The CSR Committee met Two (2) times during the year under review.

Name of the Member	No. of Corporate Social Responsibility Committee Meetings held during the tenure of the member	Attendance Particulars
Justice R. J. Kochar (Retd.)	1	1
Mr. Dewang S. Neralla	1	1
Mr. A. Nagarajan	1	1
Mr. S. Rajendran	2	2
Mr. Rajendra Mehta	1	1
Mr. Jigish Sonagara	1	1

9. MEETINGS OF INDEPENDENT DIRECTORS:

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. The meeting shall review the performance of non-independent Directors and the Board as a whole, review the performance of the Chairman of the Board, taking into account the views of the Executive Directors and Non-executive Directors, assess the quality and timelines of flow of information between the Management and the Board to effectively perform its duties.

At such meeting, the independent Directors discuss inter alia, the performance of the Company and risks faced by it, governance, compliance, performance of executive members of the Board including the Chairman.

One meeting of Independent Directors was held during the year.

10. GENERAL BODY MEETINGS

10.1 The date, time and venue for the last three Annual General Meetings (AGM) are mentioned hereunder:

Financial Year	Date	Time	Venue of the meeting
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.
2012-13	25-09-2013	2.00 p.m.	Sri P. Obul Reddy Hall (Vani Mahal) 103, G.N. Chetty Road, T. Nagar., Chennai – 600017.
	21-02-2014*	2.00 p.m.	Tapovan Hall, Chinmaya Heritage Centre, No. 2, 13th Avenue, Harrington Road, Chetpet, Chennai - 600 031.
2013-14	23-09-2014	2.00 p.m.	Kasturi Srinivasan Hall, The Music Academy, Madras, New No.168 (old no.306), TTK Road, Chennai – 600014.

*Adjourned AGM

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

Financial Year	Date of AGM	Particulars
2011-12	27-09-2012 (24th AGM)	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;

Financial Year	Date of AGM	Particulars
2012-13	25-09-2013 (25th AGM)	i) Consent of the Shareholders for granting ESOPs exercisable into equity shares not exceeding 900000 or 2% of paid-up share capital of the Company under ESOP Scheme 2013 to the eligible employees of the Company. ii) Consent of the Shareholders for granting ESOPs exercisable into equity shares not exceeding 900000 or 2% of paid-up share capital of the Company under ESOP Scheme 2013 to the eligible employees of the Subsidiary/ies. iii) Consent of the Shareholders for issuance and allotment of shares or other securities to Foreign/domestic investors in form of GDRs/ADRs, FCCBs etc. for an amount not exceeding ₹ 1000 crores. iv) Consent of the Shareholders for investment in securities of FT Projects Limited upto ₹ 50 Crores and to give loans and/or guarantees and/or provide security under Section 372A of the Companies Act 1956 upto ₹ 100 Crores to FT Projects Limited, a wholly owned subsidiary of the Company.
	21-02-2014 (25th adjourned AGM)	i) Consent of the Shareholders for approval of payment of commission to Non-executive Directors of the Company upto 1% of the Company's net profit as computed in accordance with Sections 349 and 350 of the Companies Act 1956, from F.Y. 2013-14 onwards.
2013-14	23-09-2014 (26th AGM)	i) Consent of the Shareholders for re-pricing of un-exercised stock options granted under ESOP Scheme 2009 ii) Consent of the Shareholders for re-pricing of un-exercised stock options granted under ESOP Scheme 2010

10.2 Postal Ballot:

1. During the year under review, the Company successfully completed the process of obtaining the approval of shareholders for special resolution pertaining to sale of business undertaking/shares/investments held by the Company in Bourse Africa Limited, Mauritius, a step-down subsidiary of the Company through postal ballot vide its Postal Ballot Notice dated January 06, 2015, sent to the Shareholders in accordance with the rules issued by Ministry of Corporate Affairs.

   An e-voting facility was made available to the shareholders. The Board of Directors of the Company, appointed Mr. B. Narasimhan, Proprietor M/s. BN & Associates, Company Secretaries, Mumbai, as Scrutinizer, for conducting the said Postal Ballot process in a fair and transparent manner. Subsequent to the submission of the Scrutinizers' report, the results of the Postal Ballot were announced on February 20, 2015 at the Corporate Office of the Company by the Chairman and the aforesaid resolution was passed with 99.97% majority.

   Details of Voting pattern were as under:

Description of Resolution	No. of total valid Postal Ballot Forms / e-votes received	Votes cast in favor & %	Votes cast against & %
Sale of business undertaking /shares/ investments held by the Company in Bourse Africa Limited, Mauritius, a step-down subsidiary of the Company	615	23283355 (99.975%)	5822 (0.025%)

2. The Company is seeking approval of shareholders through postal ballot vide its Postal Ballot Notice dated July 24, 2015 sent to the Shareholders in accordance with the rules issued by Ministry of Corporate Affairs on the following matters:
   a. Appointment and remuneration of Mr. Prashant Desai as Managing Director & CEO
   b. Appointment and remuneration of Mr. Rajendra Mehta and Mr. Jigish Sonagara as Whole-time Directors
   c. Adoption of new Articles of Association of the Company
   d. Payment of remuneration to Managing Director of Atom Technologies Limited, subsidiary of the Company
   e. Payment of remuneration to Managing Director of Tickerplant Limited, Wholly owned subsidiary of the Company
   f. Investment in National Spot Exchange Limited (NSEL) Subsidiary of the Company and approval of Related Party Transaction
   g. Approval of Related Party Transaction with Mr. Miten Mehta (Non-Executive & Non-Independent Director)
   h. Payment of Commission to Non-Executive Directors

   An e-voting facility is made available to the shareholders. The Board of Directors of the Company, appointed Mr. B. Narasimhan, Proprietor M/s. BN & Associates, Company Secretaries, Mumbai, as Scrutinizer, for conducting the said Postal Ballot process in a fair and transparent manner. Subsequent to the submission of the Scrutinizers' report, the results of the Postal Ballot will be announced on September 01, 2015 at the Corporate Office of the Company.

10.3 Disclosures:

10.3.1 The Company has complied with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 1956 & Companies Act, 2013 Act, as applicable in the preparations of the financial statements of the Company.

10.3.2 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 and Non-executive Directors' commission, subject to approval of shareholders, there is no pecuniary transaction with the Independent / Non-Executive Directors. Transactions with related parties are disclosed in Note No. 37 to the Standalone Accounts in the Annual Report. As duly approved by the Nomination and Remuneration Committee, Audit Committee and the Board, and subject to approval of shareholders, the Company has paid fees for professional services rendered by the following two non-executive and non-independent directors:

i. Mr. Miten Miten: ₹ 46.96 lacs (excluding taxes)
ii. Mr. Sunil Shah: ₹ 8.73 lacs (excluding taxes)

10.3.3 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.

During the year under review the Company filed 9 (nine) compounding applications with the Registrar of Companies, Chennai. Till date, none of the applications have come up for hearing.

10.3.4 Please refer to the Directors' Report for the Auditors qualification and Management response thereto.

10.3.5 Whistle Blower Policy:

The Company has a vigil mechanism and a Whistle Blower Policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. Employees may also report to the Chairman of the Audit Committee. During the year under review, no personnel has been denied access to the Audit Committee.

10.3.6 The Company has fulfilled the mandatory requirements as per Clause 49 and non-mandatory requirements as prescribed in Annexure XIII of Clause 49, which are as under:

(a) Nomination and Remuneration Committee: For further details please refer clause 6 of this report.

(b) Auditor's qualification: The Auditors' qualifications and the management reply to the same have been disclosed in the Directors' Report. Therefore, to avoid the repetition, same are not being reproduced here.

(c) 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.

11. 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.

12. MEANS OF COMMUNICATION

12.1 The quarterly results are published in newspapers, namely New Indian Express in English and Dinamani in the regional language.

12.2 The quarterly, half-yearly and annual financials appear on our corporate website www.ftindia.com under the Investors section.

12.3 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

12.4 The Company's financial results, shareholding pattern, corporate announcements, etc., are filed electronically on BSE Listing Centre, an electronic filing platform developed and provided by BSE. Similarly, filings like shareholding pattern, corporate governance report etc are filed electronically on NEAPS, an electronic filing application developed by NSE.

12.5 Management's Discussion and Analysis Report: This information is covered elsewhere in this Annual Report.

12.6 CEO / CFO Certification: This information is covered elsewhere in this Annual Report.

13. GENERAL SHAREHOLDER INFORMATION

13.1 Annual General Meeting:

Date : 30th September 2015,

Time : 4.00 p.m.

Venue : Kasturi Srinivasan Hall, The Music Academy, New no. 168, T.T.K Road, Royapettah, Chennai - 600 014

13.2 Financial Calendar:

Financial Year 1st April, 2015 to 31st March, 2016

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

30th June, 2015	On or before 14th August, 2015
30th September, 2015	On or before 14th November, 2015
31st December, 2015	On or before 14th February, 2016
31st March, 2016	On or before 30th May, 2016 (audited figures) as per Stock Exchange Listing Agreement

13.3 Book-Closure Date and Dividend Disclosure:

a) The Books shall be closed from 24th September 2015 to 30th September 2015 (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 23rd September 2015, as per the details available with NSDL & CDSL, and
- on the Register of Members as on 23rd September 2015, of owners holding shares in physical form.

b) Announcement of Dividend:

The Board of Directors have proposed a final dividend of ₹ 5 /- (i.e. 250%) per share subject to approval of the shareholders at the ensuing Annual General Meeting. This final dividend, if approved together with three interim dividends paid during the year, aggregated to a total dividend of ₹ 17/- per share (i.e. 850 %) of Face value of ₹ 2/- each.

c) Mode of Payment and Date of Payment:

Final dividend shall be remitted through National Electronic Clearing Service (NECS)/ Electronic Clearing Service (ECS)/National Electronic Funds Transfer (NEFT)/Direct Credit (DC) at approved locations, wherever NECS/ECS/NEFT/DC 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 3 months from the date of issue. Post-expiry of validity period, these may be sent to the Company's Corporate office at 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.

13.4 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), During the year, the Company's shares has been voluntary delisted from Madras Stock Exchange Limited and Ahmedabad Stock Exchange Limited under SEBI (Delisting of Equity Shares) Regulations, 2009. This disclosure is being made under Clause 7(1)(d) of SEBI (Delisting of Equity Shares) Regulations, 2009. The Global Depository Receipts were 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. The Global Depository Receipts have been delisted from the Luxembourg Stock Exchange w.e.f. 05th June 2014.

As on 31st March, 2015, there were 63,772 shareholders of the Company.

13.5 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[1]	WTG	-	-
Ahmedabad Stock Exchange Ltd[2]	67641	-	-
Luxembourg Stock Exchange -(GDR)[3]	FinTechnolIndia GDR ne	-	-

1 Voluntary delisting of shares w.e.f. 20.10.2014

2 Voluntary delisting of shares w.e.f. 23.12.2014

3 Delisted w.e.f. 05.06.2014

b) Depository for Equity Shares : NSDL and CDSL

c) Demat ISIN Number

- Equity share : INE111B01023

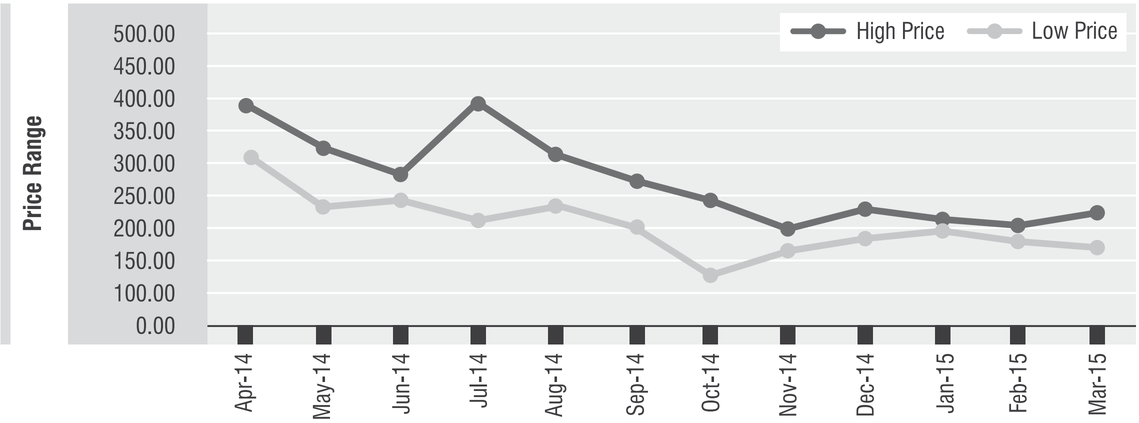
13.6 Stock Market Data:

(Amount In ₹)

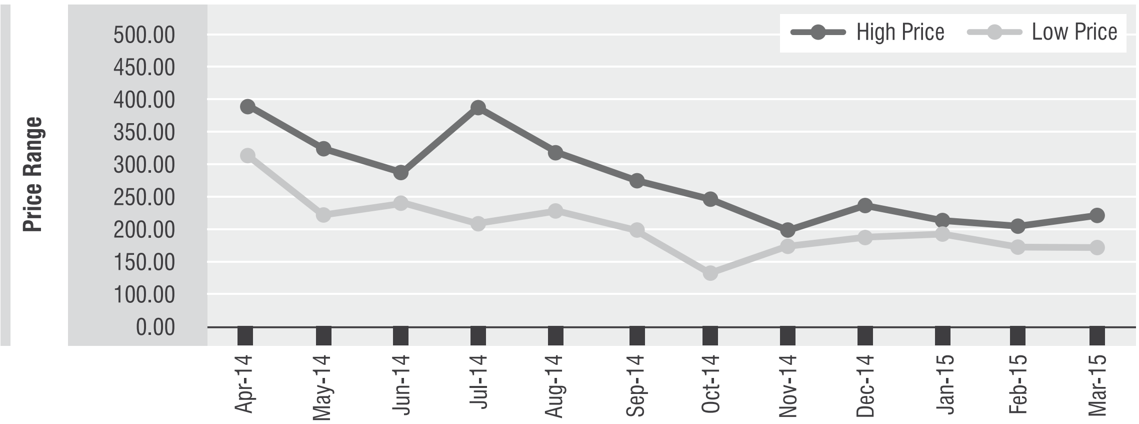
	National Stock Exchange			Bombay Stock Exchange		
Month & Year	**High Price**	**Low Price**	**Volume Nos.**	**High Price**	**Low Price**	**Volume Nos.**
Apr-14	377.2	308.85	11,734,091	376.75	310	5,004,334
May-14	324.9	230	12,194,888	325.15	230	5,001,755
Jun-14	286.5	241.25	7,298,178	288	245	2,653,304
Jul-14	384.1	217	29,572,353	384	216.55	11,588,184
Aug-14	317.9	236.45	17,770,714	318	237	7,204,813
Sep-14	266	201.1	7,823,130	266	198.3	3,247,678
Oct-14	243.1	135.8	24,513,435	242.05	135.75	10,080,644
Nov-14	196.9	164	10,006,008	196.8	175.1	4,206,064
Dec-14	239.85	180	13,669,679	239	181.1	6,051,840
Jan-15	218.6	193.5	6,796,272	218.6	193.35	3,045,927
Feb-15	205.75	171.45	6,499,373	206	171.8	2,988,150
Mar-15	221.8	164.8	21,995,493	222.4	165	8,595,799

The market price data is given below, covering the period April 2014 to March 2015

NSE Price



BSE Price



13.7 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 2015 is given in the chart below:

Chart showing FTIL price in BSE vs Sensex

(At a common base of 100 from April 2014 to March 2015)

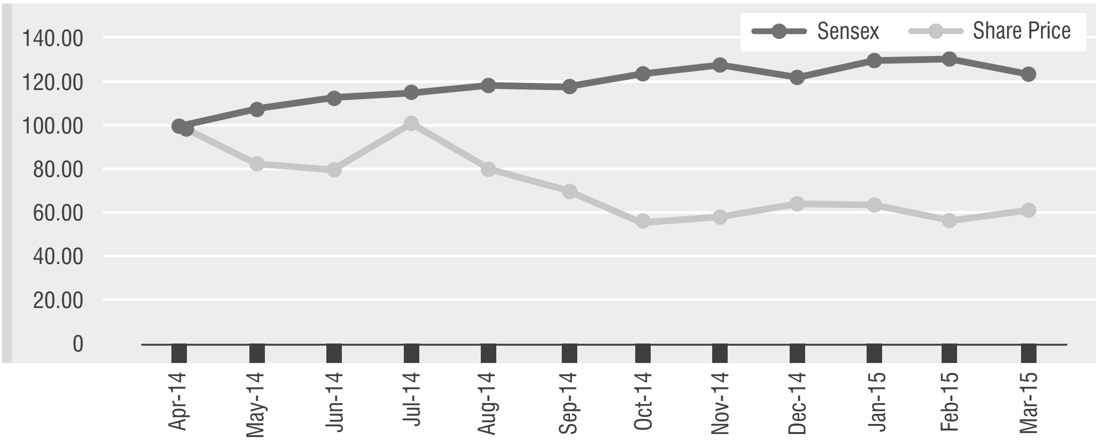
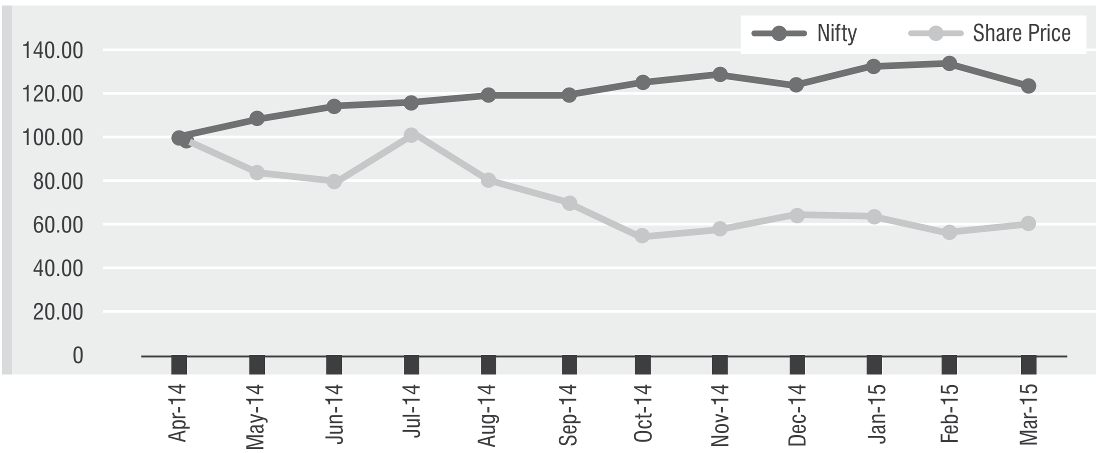


Chart showing FTIL price in NSE vs Nifty

(At a common base of 100 from April 2014 to March 2015)



13.8 Registrar & Transfer Agent:

Karvy Computershare Pvt Ltd

Karvy Selenium Tower B, Plot No 31 & 32

Gachibowli, Financial District,

Nanakramguda, Serilingampally

Hyderabad, Telangana – 500032.

Direct line: +91-40- 67162222

F: +91-40-23001153| E: einward.ris@karvy.com

13.9 Share Transfer System:

Shares sent for transfer in physical form are 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.

13.10 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, 2015, a total of 45948476 equity shares of the Company were dematerialised, forming 99.72% of the Company's total Share Capital.

Description	No. of Shareholders	% of Shareholders	No. of Equity Shares	% of Shares
Physical	453	0.71	130,061	0.28
Electronic				
Under NSDL	39,776	62.37	42,141,379	91.46
Under CDSL	23,543	36.92	3,807,097	8.26
TOTAL	**63,772**	**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 address 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 email their request to ftilgogreen@karvy.com.

13.11 Distribution of Shareholding and Shareholding Pattern as on 31st March, 2015

Category (Shares)	No. of Holders	% to Holders	No. of Shares	% to Equity
1 - 500	60,623	95.06	4,179,557	9.07
501 - 1000	1,646	2.58	1,258,359	2.73
1001 - 2000	810	1.27	1,195,092	2.59
2001 - 3000	228	0.36	571,251	1.24
3001 - 4000	106	0.17	376,727	0.82
4001 - 5000	92	0.14	432,897	0.94
5001 - 10000	130	0.20	942,795	2.05
10001 - AND ABOVE	137	0.21	37,121,859	80.56
TOTAL	**63,772**	**100.00**	**46,078,537**	**100.00**

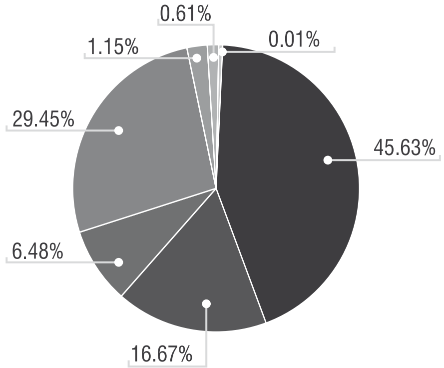
Shareholding Pattern:

Shareholding Pattern of Financial Technologies (India) Limited (As on 31st March 2015)

	Particulars	No. of Shares Held	% of Shareholding
A.	**Promoter's Holding**		
	Indian Promoters :	21,025,878	45.63
	(Promoters, Directors, their relatives and companies under their control)		
	Foreign Promoters	-	-
	Sub Total (A)	**21,025,878**	**45.63**
B.	**Public Shareholding:**		
	Institutional Investors:		
	a) Mutual Funds	322	0.00
	b) Banks	84,174	0.18
	c) Foreign Institutional Investors	7,543,612	16.37
	d) Financial Institutions	29,674	0.06
	e) Foreign Portfolio Investors	26,081	0.06
	Non-Institutional Investors:		
	a) Private Corporate Bodies	2,984,917	6.48
	b) Indian Public	13,569,126	29.45
	c) NRIs	529,054	1.15
	d) Clearing Members	280,899	0.61
	e) Directors	3,495	0.01
	f) Trusts	1,305	0.00
	Sub Total (B)	**25,052,659**	**54.37**
	GRAND TOTAL (A+B)	**46,078,537**	**100.00**

Notes:

1. The total foreign holding is 8,098,747 shares, i.e. 17.58% of the total share capital.



■	Indian Promoters	**45.63%**
■	Institutional Investors	**16.67%**
■	Private Corporate Bodies	**6.48%**
■	Clearing Members	**0.61%**
■	NRI's	**1.15%**
■	Indian Public	**29.45%**
■	Directors	**0.01%**

13.12 Statutory Compliance

During the year, your Company has generally complied with the applicable provisions, filed all returns/ forms and furnished all relevant particulars as required under the Companies Act, 2013 and allied Acts and Rules, the Securities and Exchange Board of India (SEBI) Regulations and the Listing Agreements with Stock Exchanges except matters referred in Clause 10.3.3.

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

13.13.1 Employee Stock Option Scheme (ESOP):

As on 31st March 2015, 5,44,010 and 4,95,693 stock options under ESOP Scheme 2009 and ESOP Scheme 2010 respectively, are in force. Pursuant to the approval given by the Shareholders at the 26th Annual General Meeting held on September 23, 2014, for re-pricing of stock options, the Nomination & Remuneration Committee at its meeting held on October 01, 2014, has re-priced the unexercised 5,71,175 and 5,46,314 stock options granted under ESOP 2009 and ESOP 2010 respectively, at a 25% discounted price of ₹167/- (i.e. 25% discount on the closing price of ₹ 223.25 on September 30, 2014 on NSE).None of the employees have exercised their stock options out of the aforesaid two ESOP Schemes.

13.13.2 Global Depository Receipts (GDRs)

The GDRs were delisted from the Luxembourg Stock Exchange w.e.f. 5th June 2014.

13.14 Corporate Identity Number of the Company as allotted by Ministry of Corporate Affairs is L29142TN1988PLC015586. Company is registered in state of Tamil Nadu.

14. LOCATION OF OFFICES:

1. Chennai: Shakti Tower -1, 7th Floor, Premises E, 766, Anna Salai, Thousand Lights, Chennai – 600 002.
2. Mumbai: FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai- 400093.

15. 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**

Hariraj Chouhan

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 67250257 | 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 67250257 | E: info@ftindia.com

16. UNCLAIMED DIVIDEND/SHARES:

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.

In terms of Clause 5A of the Listing Agreement, there are no equity shares lying in Suspense Account.

During the year, your Company transferred amount to Investor Education and Protection Fund (IEPF) as per the table below:

For FY	Nature	Transfer to IEPF on	Amount (in INR)
2006-07	4th Interim (Q4)	6-Jun-14	297065.00
2007-08	1st Interim (Q1)	19-Sep-14	101742.00
2006-07	Final	21-Nov-14	206964.00
2007-08	2nd Interim (Q2)	26-Dec-14	667198.00
2007-08	3rd Interim (Q3)	11-Mar-15	680704.00

Shareholders of the Company who have either not received or have not encashed their dividend warrants, for 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, Interim and final dividend 2012-13, Interim and Final Dividend for FY 2013-14 and Interim Dividend for FY 2014-15, 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 2007-08	200%	28th August 2008	02nd November 2015
1st Interim Dividend 2008-09	200%	31st July 2008	05th October 2015
2nd Interim Dividend 2008-09	100%	31st October 2008	05th January 2016
3rd Interim Dividend 2008-09	100%	24th January 2009	30th March 2016
Final Dividend 2008-09	100%	25th September 2009	29th November 2016
1st Interim Dividend 2009-10	100%	30th July 2009	03rd October 2016
2nd Interim Dividend 2009-10	100%	29th October 2009	02nd January 2017
3rd Interim Dividend 2009-10	100%	29th January 2010	04th April 2017
Final Dividend 2009-10	100%	29th September 2010	03rd December 2017
1st Interim Dividend 2010-11	100%	11th August 2010	15th October 2017
2nd Interim Dividend 2010-11	100%	09th November 2010	13th January 2018
3rd Interim Dividend 2010-11	100%	27th January 2011	2nd April 2018
Final Dividend 2010-11	100%	29th September 2011	03rd December 2018
1st Interim Dividend 2011-12	100%	10th August 2011	14th October 2018
2nd Interim Dividend 2011-12	100%	11th November 2011	15th January 2019
3rd Interim Dividend 2011-12	100%	31st January 2012	06th April 2019
Final Dividend 2011-12	100%	27th September 2012	02nd December 2019
1st Interim Dividend 2012-13	100%	6th August 2012	11th October 2019
2nd Interim Dividend 2012-13	100%	31st October 2012	05th January 2020
3rd Interim Dividend 2012-13	100%	28th January 2013	3rd April 2020
1st Interim Dividend 2013-14	100%	30th July 2013	3rd October 2020
2nd Interim Dividend 2013-14	100%	29th November 2013	2nd February 2021
3rd Interim Dividend 2013-14	100%	14th February 2014	20th April 2021
Final Dividend 2012-13	100%	21st February 2014*	27th April 2021
1st Interim Dividend 2014-15	100%	13th August 2014	17th October 2021
Final Dividend 2013-14	100%	23rdSeptember 2014	27th November 2021
2nd Interim Dividend 2014-15	250%	12th November 2014	16th January 2022
3rd Interim Dividend 2014-15	250%	05th February 2015	11th April 2022

**Declared at the Adjourned AGM of the Company*

17. 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.

18. SECRETARIAL AUDIT FOR F.Y. 2014-15:

Pursuant to Section 204 of the Companies Act, 2013, your Company has appointed M/s BNP & Associates, Practising Company Secretaries, to conduct Secretarial Audit for the financial year 2014-15. The Secretarial audit includes audit of compliance with the Companies Act, 2013, and the Rules made under the Act, Listing Agreement and Regulations and Guidelines prescribed by the Securities and Exchange Board of India and any other applicable laws. The observations made by the Secretarial Auditor are provided in the Directors Report.

19. INFORMATION ON DIRECTORS APPOINTMENT/RE-APPOINTMENT:

Information as required under Clause 49 of the Listing Agreement is detailed in the notice of AGM dated August 08, 2015.

Place: Pawana Nagar, Pune

Date: August 08, 2015

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

To the Members of

FINANCIAL TECHNOLOGIES (INDIA) LIMITED

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, 2015.

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

Prashant Desai
Managing Director & CEO
(DIN: 01578418)

Place: Pawana Nagar, Pune
Date: August 08, 2015

CERTIFICATION OF FINANCIAL STATEMENTS OF THE COMPANY BY THE MANAGING DIRECTOR AND THE CHIEF FINANCIAL OFFICER (CFO)

We, Prashant Desai, Managing Director & CEO, 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, 2015 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.

Prashant Desai
Managing Director & CEO
(DIN: 01578418)

Devendra Agrawal
Chief Financial Officer

Place: Mumbai
Date: May 22, 2015

AUDITOR'S CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of

FINANCIAL TECHNOLOGIES (INDIA) LIMITED

We have examined the compliance of conditions of Corporate Governance by Financial Technologies (India) Limited ("the Company") for the year ended 31st March 2015, as stipulated in Clause 49 of the Listing Agreement entered into by the Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Company's 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 the 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 based on 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 Agreement.

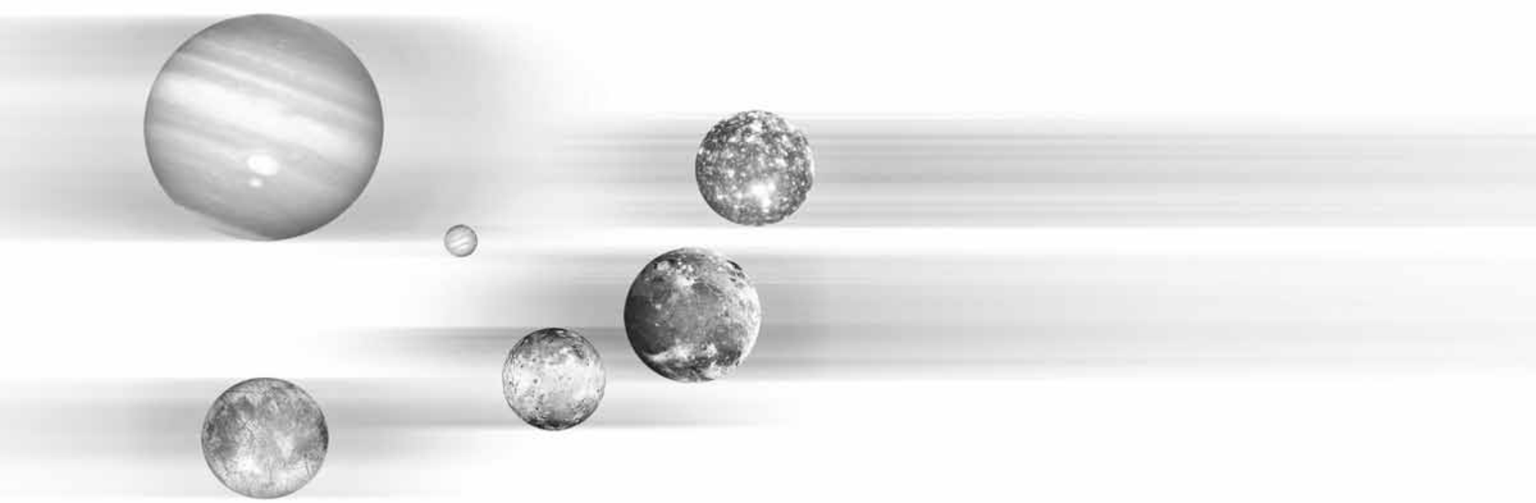
We state that such Compliance is neither an assurance as to future viability of the Company nor of efficiency or effectiveness with which the Management has conducted the affairs of the Company.

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

Tirtharaj Khot
Partner
Membership No.(F) 037457

Place: Pawana Nagar, Pune
Date: August 08, 2015

Financials
Standalone



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF FINANCIAL TECHNOLOGIES (INDIA) LIMITED

Report on the standalone financial statements

We have audited the accompanying standalone financial statements of Financial Technologies (India) Limited ('the Company'), which comprise the balance sheet as at March 31, 2015, 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 standalone financial statements

The Company's board of directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone 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 principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

Auditor's responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 auditor's judgement, including the 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 financial control relevant to the Company's preparation of the 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 whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

As stated by the Management of the Company in Note 57 to the standalone financial Statement, Writ Petitions (WP), Public Interest Litigation (PIL), Civil Suits have been filed against the Company in relation to NSEL event, wherein the Company has been made a party in the WP and Civil Suits. These matters are pending at various stages of adjudication. As stated in the said note, based on legal advice, the management of the Company does not foresee that the parties who have filed the WP, PIL, Civil Suits would be able to sustain any claim against the Company. In addition, as stated by the management in note 57 and 59 to the standalone financial Statement, there are First Information Reports registered against various parties including the Company with the Economic Offences Wing of the Mumbai Police (EOW), Central Bureau of Investigation (CBI) and MIDC, Police Station, Mumbai District.

In this regard, the Management and those charged with Governance have represented to us that other than as stated in the said note to the Statement, there are no claims, litigations, potential settlements involving the Company directly or indirectly which require adjustments to/disclosures in the Statement.

In the light of the above representations regarding the ongoing investigations and matters, the outcome of which is not known and is uncertain at this stage, we are unable to comment on the consequential impact in respect of the same on the results for the year ended March 31, 2015.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the possible effects of the matter specified under 'Basis for Qualified Opinion' paragraph*, the aforesaid standalone 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, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF FINANCIAL TECHNOLOGIES (INDIA) LIMITED

Emphasis of Matter

1. We draw attention to Note 61 to the standalone financial statements, regarding utilisation of unexpired MAT credit entitlement by the Company. The Company has a total MAT credit entitlement of Rs. 19,270.02 Lakhs as at March 31, 2015 including recognition of Rs. 10,081.20 Lakhs during the year ended March 31, 2015. Based on the projections as made by the Company's management regarding income-tax liability of the Company, Management is of the view that the Company will be able to utilise the unexpired MAT credit entitlement in projected years.
2. We draw attention to Note 55 to the standalone financial statements, which describe the receipt of the draft order proposing amalgamation of National Spot Exchange Limited with the Company. The Company has filed a Writ Petition before the Honourable Bombay High Court challenging the said order.
3. We draw attention to Note 56 to the standalone financial statements. Government of India has filed a petition with Company Law Board under the Companies Act, 1956 seeking inter alia removal and supersession of the Board of Directors of the Company, which has been protested by the Company and the matter is pending before CLB for consideration.

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

Other Matters

The financial statements of the Company for the year ended March 31, 2014, were audited by another auditor whose report dated May 30, 2014 expressed modified opinion on those statements.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2015 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
   a) we have sought and 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 aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
   e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of section 164 (2) of the Act.
   f) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. the Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements (refer note 29);
      ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

Tirtharaj Khot
Partner
Membership No. (F) 037457

Mumbai, May 22, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in 'other matters' and paragraph 1 under 'Report on other legal and regulatory requirements' of our report of even date)

(i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets have been physically verified by the management in accordance with a phased programme of verification which in our opinion, is reasonable, having regard to the size of the Company and nature of its assets. The frequency of physical verification is reasonable and no material discrepancies were noticed on such verification.

(ii) According to the process explained to us as followed by the Company, the Company's inventory items are directly delivered to its customers on their procurement. Therefore the Company does not carry any inventory on a regular basis. Accordingly reporting on Paragraph 3 (ii) (a), (b) and (c) is not required. On the basis of our examination, in our opinion, the Company has maintained proper records of its inventories.

(iii) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the Paragraph 3 (iii) (a) and (b) of the Order are not applicable.

(iv) On the basis of verification of transactions carried out by us, we report that there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and the sale of goods and services. Further, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in internal control system.

(v) According to the information and explanations given to us and records verified by us, the Company has not accepted any deposits during the year from the public to which the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 and any other relevant provisions of the Act and the rules framed thereunder apply. Accordingly, the Paragraph 3 (v) of the Order is not applicable.

(vi) The Central Government has not prescribed maintenance of cost records under Section 148(1) of the Act. Accordingly, the Paragraph 3 (vi) of the Order is not applicable.

(vii) (a) According to the records verified by us, the Company is generally 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, value added tax, cess and other material statutory dues, as applicable to the Company, with the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, the details of dues of income tax, sales tax, service tax and excise duty as at March 31, 2015 which have not been deposited on account of a dispute pending, are as under:

Name of Statute	Nature of Dues	Amount involved* (Rs. Lakhs)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	165.92	2007-2008	Commissioner of Service Tax
Central Excise Act,1944	Excise duty	#221.60	2005-2006	Superintendent Central Excise
Maharashtra Value Added Tax Act, 2002	Value Added Tax	124.90	2005-2006 to 2010-2011	Joint Commissioner of Sales Tax (Appeal)
Central Sales Tax Act, 1956	Central Sales Tax	3.12	2006-2007	Joint Commissioner of Sales Tax (Appeal)
Income-Tax Act, 1961	Income-tax	592.17	AY 2009 -2010	Commissioner of Income Tax (Appeals)

*Amounts are net of pre-deposit paid in getting the stay/ appeal admitted, if any;

#amount is including interest.

(c) During the year, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 and the rules made thereunder.

(viii) *Without considering the possible effects of our audit qualification reported in the 'Basis for Qualified Opinion' in our accompanying Audit Report which is not quantifiable*, the Company does not have accumulated losses as at March 31, 2015 and it has not incurred cash losses during current financial year and in the immediately preceding financial year.

(ix) According to the information and explanations given to us and as per the records of the Company examined by us, the Company has not defaulted in repayment of dues to banks. The Company has neither availed any assistance from financial institutions nor has issued any debentures. Accordingly, the additional reporting under Paragraph 3 (ix) of the Order is not applicable.

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in 'other matters' and paragraph 1 under 'Report on other legal and regulatory requirements' of our report of even date)

(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) During the year, the Company has not availed any additional term loan. As per the records of the Company examined by us, there has been no additional utilization of the term loan, being external commercial borrowing by the Company during the year.

(xii) *Except for the matter(s) referred in the 'Basis for Qualified Opinion' of our audit report which are subjudice and hence are inconclusive*, to the best of our knowledge and according to the information and explanations gives to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

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

Tirtharaj Khot
Partner
Membership No. (F) 037457

Mumbai, May 22, 2015

BALANCE SHEET AS AT MARCH 31, 2015

(₹ lacs)

		Note No.	As at 31.03.2015	As at 31.03.2014
I.	**EQUITY AND LIABILITIES**			
1	**Shareholders' funds**			
	(a) Share capital	3	921.57	921.57
	(b) Reserves and surplus	4	277,072.63	240,028.64
			277,994.20	240,950.21
2	**Non-current liabilities**			
	(a) Long-term borrowings	5	48,038.44	46,126.60
	(b) Deferred tax liabilities (net)	6	2,244.18	2,524.64
	(c) Other long term liabilities	7	1,201.57	536.26
	(d) Long-term provisions	8	863.44	1,087.94
			52,347.63	50,275.44
3	**Current liabilities**			
	(a) Trade payables	9	249.45	531.60
	(b) Other current liabilities	10	9,051.42	24,524.26
	(c) Short-term provisions	11	3,151.70	1,401.58
			12,452.57	26,457.44
	TOTAL		**342,794.40**	317,683.09
II.	**ASSETS**			
1	**Non-current assets**			
	(a) Fixed assets			
	(i) Tangible assets	12A	41,835.80	44,968.88
	(ii) Intangible assets	12B	1,047.73	1,564.90
			42,883.53	**46,533.78**
	(b) Non-current investments	13	98,001.87	52,378.58
	(c) Long-term loans and advances	14	26,911.98	88,324.89
	(d) Other non-current assets	15	2,575.26	477.62
			170,372.64	**187,714.87**
2	**Current assets**			
	(a) Current investments	16	138,187.78	75,337.32
	(b) Trade receivables	17	1,662.78	6,775.60
	(c) Cash and Cash equivalents	18	10,992.95	11,919.08
	(d) Short-term loans and advances	19	8,320.63	34,486.97
	(e) Other current assets	20	13,257.62	1,449.25
			172,421.76	**129,968.22**
	TOTAL		**342,794.40**	**317,683.09**
See accompanying notes forming part of the financial statements		1 to 63		

In terms of our report attached
For Sharp and Tannan Associates
Chartered Accountants
(ICAI Firm Reg. No.109983W)

Tirtharaj Khot
Partner
Membership No:(F) 037457

For and on behalf of the Board

Venkat R Chary
Chairman
DIN - 00273036

Prashant Desai
Managing Director & Chief Executive Officer
DIN- 01578418

Hariraj Chouhan
Vice President
& Company Secretary

Devendra Agrawal
Chief Financial Officer

Place : Mumbai
Date : May 22, 2015

Place : Mumbai
Date : May 22, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

	Note No.	Year Ended 31.03.2015	Year Ended 31.03.2014
INCOME			
Revenue from operations	21	16,103.11	33,471.49
Other income	22	44,264.90	20,655.17
Total revenue		**60,368.01**	54,126.66
EXPENSES			
Purchases of stock-in-trade	23	1.65	6.09
Employee benefits expense	24	12,091.10	12,275.19
Finance costs	25	2,266.12	3,053.82
Depreciation and amortisation expense (Refer Note 44)	26	3,905.73	3,074.86
Other expenses	27	15,379.20	12,599.99
Total expenses		**33,643.80**	31,009.95
Profit before exceptional items and tax		**26,724.21**	23,116.71
Exceptional items	28	24,282.09	(41,152.11)
Profit / (Loss) before tax		**51,006.30**	(18,035.40)
Tax expense / (credit):			
(a) Current tax expense		16,854.08	5,638.20
(b) Less: MAT credit		(10,081.20)	(960.51)
(c) Net current tax expense		6,772.88	4,677.69
(d) Deferred Tax		(280.46)	141.76
Net tax expense		**6,492.42**	4,819.45
Profit / (Loss) for the year		**44,513.88**	(22,854.85)
Earnings per share:	36		
Basic per share (in ₹)		96.60	(49.60)
Diluted per share (in ₹)		96.30	(49.60)
Face Value Per Share (in ₹)		2.00	2.00
See accompanying notes forming part of the financial statements	1 to 63		

In terms of our report attached
For Sharp and Tannan Associates
Chartered Accountants
(ICAI Firm Reg. No.109983W)

Tirtharaj Khot
Partner
Membership No:(F) 037457

Place : Mumbai
Date : May 22, 2015

For and on behalf of the Board

Venkat R Chary
Chairman
DIN - 00273036

Prashant Desai
Managing Director & Chief Executive Officer
DIN- 01578418

Hariraj Chouhan
Vice President
& Company Secretary

Devendra Agrawal
Chief Financial Officer

Place : Mumbai
Date : May 22, 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

		Year Ended 31.03.2015		Year Ended 31.03.2014	
A.	**Cash flow from operating activities**				
	Profit / (Loss) before tax		**51,006.30**		(18,035.40)
	Adjustments for:				
	Depreciation and amortisation expense	3,905.73		3,074.86	
	Net gain on sale of investments	(106,948.24)		(14,946.97)	
	Loss on disposal/write off of fixed assets (net)	42.71		40.87	
	Write down in value of current investments (net)	18.14		534.75	
	Loss on reduction in shares in subsidiary company	6,000.06		-	
	Provision for other than temporary diminution in value of long term investments in subsidiaries	67,226.76		11,444.44	
	Bad debts/advances written off (net of provision held)	32.14		9.38	
	Provision of doubtful loans & advances to and trade receivables from subsidiaries	1,280.59		36,704.87	
	Provision for doubtful trade receivables	-		62.81	
	Balances Written Back	(12,983.20)			
	Dividend income	(16,916.98)		(3,310.37)	
	Guarantee fees	-		(534.67)	
	Amortisation of premium on purchase of bond	54.79			
	Finance costs	2,266.12		3,053.82	
	Net unrealised exchange loss	2,181.24		3,351.17	
	Expenses on employee stock option (ESOP) schemes	574.00		-	
	Interest income	(5,157.98)	(58,424.12)	(7,436.37)	32,048.59
	Operating profit before working capital changes		**(7,417.82)**		14,013.19
	Changes in working capital:				
	Adjustments for:				
	Trade and other receivables	5,884.43		809.00	
	Trade payables and provisions	(2,032.36)	3,852.07	(1,301.55)	(492.55)
	Cash generated from operations		**(3,565.75)**		13,520.64
	Net Income Tax paid		-		(1,845.23)
	Net cash flow from operating activities (A)		**(3,565.75)**		11,675.41
B.	**Cash flow from investing activities**				
	Capital expenditure on fixed assets including capital advances		(473.83)		(1,980.66)
	Proceeds from sale of fixed assets		95.03		57.41
	Proceeds on sale of shares in subsidiary companies (net of expenses)		14,616.47		-
	Purchase of investments in subsidiaries		(4,725.40)		(501.05)
	Proceeds from partial sale of stake in an associate company (Refer Note 47)		-		7,125.62
	Purchase of investments - others		(855,389.49)		(206,919.22)
	Proceeds from sale of investments - others		831,208.19		297,054.08
	Bank deposits not considered as Cash and cash equivalents				
	- Placed		(18,884.81)		(15,524.34)
	- Matured		17,194.03		14,323.26
	Interest income		2,845.16		5,875.92
	Loans given to subsidiary companies		(1,098.76)		(119,577.59)
	Loans repaid by subsidiary companies		26,912.36		37,874.90
	Dividend income		14,662.08		3,310.37
	Guarantee fees		167.96		1,661.83
	Cash flow from investing activities		**27,128.99**		22,780.53
	Income tax paid		(17,357.94)		(4,067.81)
	Net cash flow from investing activities (B)		**9,771.05**		18,712.72

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015 (CONTD.)

(₹ lacs)

			Year Ended 31.03.2015		Year Ended 31.03.2014	
C.	**Cash flow from financing activities**					
	Repayment of External Commercial Borrowings			-		(20,534.85)
	Dividends paid			(6,451.00)		(3,686.28)
	Tax on dividend			(156.62)		(626.48)
	Finance costs			(2,217.36)		(3,442.34)
	Net cash used in financing activities	**(C)**		**(8,824.98)**		(28,289.95)
	Net (decrease) / increase in cash and cash equivalents	**(A+B+C)**		**(2,619.68)**		2,098.18
	Cash and cash equivalents (opening balance)			6,759.03		4,660.85
	Cash and cash equivalents (closing balance)			4,139.35		6,759.03

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	4,139.35	6,759.03
	Unrealised loss /(gain) on foreign currency cash and cash equivalents	3.26	4.12
	Cash and cash equivalents (Refer Note 18)	4,142.61	6,763.15

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. Total income tax paid (net of refunds), during the year ₹ 17,357.94 lacs (Previous Year ₹ 5,913.04 lacs)
4. Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows.
5. Cash flow from financing activities in respect of previous year exclude refinancing of External Commercial Borrowings of USD 25 million (equivalent to ₹14,686.13 lacs) with the same bank as stated in Note 5 (ii) being non-cash transaction.

In terms of our report attached
For Sharp and Tannan Associates
Chartered Accountants
(ICAI Firm Reg. No.109983W)

Tirtharaj Khot
Partner
Membership No:(F) 037457

Place : Mumbai
Date : May 22, 2015

For and on behalf of the Board

Venkat R Chary
Chairman
DIN - 00273036

Prashant Desai
Managing Director & Chief Executive Officer
DIN- 01578418

Hariraj Chouhan
Vice President
& Company Secretary

Devendra Agrawal
Chief Financial Officer

Place : Mumbai
Date : May 22, 2015

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

1. GENERAL INFORMATION

The Financial Technologies (India) Limited, the Company, 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 Company 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.

2. SIGNIFICANT ACCOUNTING POLICIES:

A. Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under) Section 133 of the Companies Act, 2013 (“the 2013 Act”) read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the 2013 Act. The financial statements have been prepared on accrual basis under the historical cost convention except for certain financial instruments which are measured at fair value. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

B. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

C. Fixed assets (Tangible / Intangible)

Fixed assets are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. The Company has adopted the provisions of para 46 / 46A of Accounting Standard-11, “The Effects of Changes in Foreign Exchange Rates”, accordingly, exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

D. Capital work-in-progress

Fixed assets which are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

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

I. (i) Depreciation has been provided on the straight-line method.

(ii) Upto December 31, 2013, depreciation was being provided at the rates prescribed in Schedule XIV to the Companies Act, 1956 except in respect of the following categories of assets.

Assets	Estimated useful life
Leasehold land	Period of lease
Improvement to Leasehold Premises	Period of lease

(iii) During the quarter ended March 31, 2014, the Management had revised the estimated useful life of the following categories of assets as under.

Assets	Revised useful life
Office Equipment	2 to 5 Years
Electrical Installations	10 Years
Computer Hardware	3 to 6 Years
Furniture and Fixtures	5 to 10 Years
Vehicles	8 Years

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(iv) Accordingly, the unamortised depreciable amount of the aforesaid assets as on December 31, 2013 was charged to revenue over the revised remaining useful lives (also Refer Note 44).

(v) The useful life of buildings is estimated as 58 years and leasehold land and improvement to leasehold premises continues to be amortised over the period of lease.

(vi) Assets costing upto ₹ 5,000/- are fully depreciated in the year of acquisition.

II. Intangible assets are amortised over their estimated useful life as follows:

Assets	Estimated useful life
Patent and Trademarks	8 years
Technical know-how and computer software	6 years

G. Investments

Current investments are carried individually at the lower of cost and fair value. Long-term investments are carried individually 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. Cost of investments include acquisition charges such as brokerage, fees and duties. The difference between carrying amount of the investment determined on average cost basis and sale proceeds, net of expenses, is recognised as gain 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.

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.

I. Other income

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.

J. Foreign currency transactions and translations

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at 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 on settlement / restatement, 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 remaining useful life of such assets.

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 maturity period / upto the date of settlement of such monetary item, whichever is earlier. The unamortised exchange difference is carried under Reserves and Surplus as “Foreign Currency Monetary Item Translation Difference Account (FCMITDA)”

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 (FCTR) until the disposal of the net investment in / closure of the said non-integral foreign operation, in which case the accumulated balance in FCTR is recognised as income / expense in the same period in which the gain or loss on disposal / closure of branch is recognised.

K. Derivative contracts

Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the balance sheet date. Exchange differences on such contracts are recognised in the statement of profit and loss.

The Company uses derivative financial contracts in the nature of 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 swap contracts to hedge its risks associated with fluctuations in interest rate. As per principles of prudence as enunciated in Accounting Standard 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 until realised on grounds of prudence.

L. 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 past service cost, plus the present value of the available refunds and reduction in future 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.

M. 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. Ancillary borrowing costs are amortised to the statement of profit and loss over maturity period / upto the date of settlement of loan, whichever is earlier. All other borrowing costs are charged to revenue.

N. Income taxes

Income taxes are accounted for in accordance with Accounting Standard 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 the Income-tax Act, 1961. Current tax assets and liabilities are offset if the Company has a legally enforceable right for such set off and the Company intends to settle the asset and the liability on a net basis.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company 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 Company will pay normal income tax during the specified period.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off.

O. 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

P. Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the statement of profit and loss.

Q. Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

R. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

S. Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

	As at 31.03.2015		As at 31.03.2014	
3. SHARE CAPITAL	**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 :

Nil (Previous Year 194,900) Equity shares of ₹ 2/- each fully paid-up to the employees under employee stock option ('ESOP') schemes.

(b) The outstanding GDR as on March 31, 2015 are Nil (Previous Year 185,367) and the underlying equity shares as on March 31, 2015 are Nil (Previous Year 26,481)

(c) 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(d) Details of equity shares held by each shareholder holding more than 5% equity shares in the Company:

	As at 31.03.2015		As at 31.03.2014	
	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 Kanaiyalal Sheth	2,162,613	5.34	2,489,762	5.40
Blackstone GPV Capital Partners Mauritius VI FII Ltd	3,235,703	7.02	3,235,703	7.02

* includes 3585715 (7.78%) equity shares held jointly

(e) As at March 31, 2015, 1,039,703 Options (Previous Year 1,217,901) are outstanding towards Employee Stock Options granted. For particulars of options on unissued capital under employee stock option schemes, Refer Note 40.

(₹ lacs)

4	RESERVES AND SURPLUS	As at 31.03.2015	As at 31.03.2014
	Capital reserve		
	Balance as per last Balance Sheet	147.59	147.59
	Securities premium account		
	Balance as per last Balance Sheet	41,746.61	41,746.61
	General reserve		
	Balance as per last Balance Sheet	26,413.15	26,413.15
	Foreign currency translation reserve		
	Balance as per last Balance Sheet - credit / (debit)	-	1.04
	Less: Credited to Statement of Profit and Loss on closure of non-integral foreign branches	-	(1.04)
		-	-
	Foreign currency monetary item translation difference account (FCMITDA)		
	Balance as per last Balance Sheet - debit	(5,368.25)	(5,803.73)
	Add: Effect of foreign exchange rate variation during the year	(1,911.84)	(6,833.22)
	Less: Amortisation for the year	2,170.33	7,268.70
		(5,109.76)	(5,368.25)
	Share Options Outstanding Account		
	Balance as per last Balance Sheet	-	-
	Add: Amounts recorded on modification during the year	574.00	-
		574.00	-
	Surplus in Statement of Profit and Loss		
	Balance as per last Balance Sheet	177,089.54	204,257.15
	Profit / (Loss) for the year	44,513.88	(22,854.85)
	Less: Appropriations		
	Interim Dividends [₹ 12/- per share (Previous Year ₹ 6/- per share)]	5,529.42	2,764.71
	Final Dividend (Proposed) [₹ 5/- per share (Previous Year ₹ 2/- per share)]	2,303.93	921.57
	Tax on Dividend*	469.03	626.48
	Total Appropriations	**8,302.38**	4,312.76
	Net surplus in Statement of Profit and Loss	**213,301.04**	177,089.54
	TOTAL	**277,072.63**	240,028.64

* As per statutory provisions, tax payable on distribution of dividend is partly adjusted against tax payable on dividend received from a foreign subsidiary company.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

5	LONG-TERM BORROWINGS	As at 31.03.2015	As at 31.03.2014
	Unsecured term loans from banks		
	External commercial borrowings (ECB) in foreign currency	48,038.44	46,126.60
	TOTAL	**48,038.44**	**46,126.60**

During the year ended March 31, 2012, the Company had availed three foreign currency term loans viz. external commercial borrowings aggregating USD 110 million comprising of:

i) Loans of USD 35 million and USD 50 million which were 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. During the previous year, the Company partly prepaid USD 9.8 million out of loan of USD 35 million and balance USD 25.2 million is repayable in April 2017. Similarly, during the previous year, the Company partly prepaid USD 14 million out of loan of USD 50 million and balance USD 36 million is repayable in May 2017. These loans carried interest at the rate of applicable quarterly LIBOR plus margin of 3.5% p.a. which was reduced to quarterly LIBOR plus margin of 3.0% p.a. during the previous year; and

ii) Loan of USD 25 million was repayable in nine semi-annual installments (first eight installments of 11% each and last installment of 12%) starting from December 2014. During the previous year, the loan was refinanced with the same lender at reduced borrowing rate. Also the Company prepaid USD 9.45 million during the previous year and balance USD 15.55 million is repayable in December 2017. This loan carried interest at the rate of applicable quarterly LIBOR plus margin of 5% p.a. (4.8% p.a. on refinancing) which was reduced to quarterly LIBOR plus margin of 4.3% p.a.

(₹ lacs)

6	DEFERRED TAX LIABILITIES (NET)		As at 31.03.2015	As at 31.03.2014
	(a) Deferred tax liability			
	Depreciation		2,511.39	2,749.57
	Unamortised ancillary borrowing costs		164.12	237.46
			2,675.51	2,987.03
	(b) Deferred tax asset			
	Provision for trade receivables and advances		141.48	198.08
	Amortisation of premium on purchase of Bonds		18.96	-
	Provision for compensated absences and gratuity		270.89	264.31
			431.33	462.39
	Net deferred tax liability	**TOTAL**	**2,244.18**	2,524.64
7	**OTHER LONG-TERM LIABILITIES**			
	Income received in advance/unearned revenue		1,179.75	508.31
	Other advances		21.82	27.95
		TOTAL	**1,201.57**	536.26
8	**LONG-TERM PROVISIONS**			
	Provision for employee benefits			
	Compensated absences		407.23	457.51
	Other provisions			
	Provision for estimated loss on interest rate swap contracts		456.21	630.43
		TOTAL	**863.44**	1,087.94
9	**TRADE PAYABLES**			
	Other than acceptances			
	Dues to micro and small enterprises (Refer Note 32)		14.01	4.94
	Others		235.44	526.66
		TOTAL	**249.45**	531.60

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

10	OTHER CURRENT LIABILITIES	As at 31.03.2015	As at 31.03.2014
	Interest accrued but not due on borrowings	221.04	223.38
	Income received in advance/unearned revenue	3,086.51	7,421.02
	Unclaimed dividend*	88.46	87.12
	Other payables		
	Statutory remittances	290.81	565.61
	Payables on purchase of fixed assets	13.31	81.97
	Payable to employees and other contractual obligations	4,030.70	2,878.43
	Security deposits	493.22	494.22
	Advances from customers	134.47	12,759.86
	Others	692.90	12.65
	TOTAL	**9,051.42**	24,524.26
	*No amount due and outstanding to be credited to Investor Education and Protection Fund		
11	**SHORT-TERM PROVISIONS**		
	Provision for employee benefits		
	Compensated absences	84.43	132.93
	Gratuity (Refer Note 41)	291.02	187.17
		375.45	320.10
	Other provisions		
	For taxation (net of advance tax there against)	3.29	3.29
	Proposed dividend	2,303.93	921.57
	Tax on proposed dividend	469.03	156.62
		2,776.25	1,081.48
	TOTAL	**3,151.70**	1,401.58

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

12 FIXED ASSETS

(₹ lacs)

Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	Cost as at 01.04.2014	Additions during the year	Deletion/ Adjustments	Cost as at 31.03.2015	Upto 31.03.2014	For the year (Refer Note 44)	Deletions/ Adjustments	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
(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)
Buildings#	30,390.17	-	-	30,390.17	1,570.58	495.29	-	2,065.87	28,324.30	28,819.59
	(29,120.83)	(1,269.34)	(-)	(30,390.17)	(1,086.02)	(484.56)	(-)	(1,570.58)	(28,819.59)	(28,034.81)
Improvement To Leasehold Premises	189.49	-	-	189.49	118.37	29.39	-	147.76	41.73	71.12
	(108.99)	(80.50)	(-)	(189.49)	(51.28)	(67.10)	(0.01)	(118.37)	(71.12)	(57.71)
Office Equipment*	5,489.41	143.45	60.41	5,572.45	1,118.92	1,428.28	37.83	2,509.37	3,063.08	4,370.49
	(5,286.28)	(204.56)	(1.43)	(5,489.41)	(453.71)	(666.06)	(0.85)	(1,118.92)	(4,370.49)	(4,832.57)
Computer Hardware	4,855.82	39.63	166.65	4,728.80	2,151.38	680.19	154.80	2,676.77	2,052.03	2,704.44
	(4,716.24)	(213.32)	(73.74)	(4,855.82)	(1,444.98)	(774.05)	(67.65)	(2,151.38)	(2,704.44)	(3,271.26)
Furniture and Fixtures	4,843.62	0.40	7.41	4,836.61	1,010.25	644.05	2.02	1,652.28	3,184.33	3,833.37
	(4,841.00)	(49.40)	(46.78)	(4,843.62)	(622.98)	(387.27)	(-)	(1,010.25)	(3,833.37)	(4,218.02)
Vehicles	682.39	174.89	183.95	673.33	179.12	76.76	86.28	169.60	503.73	503.27
	(657.90)	(154.59)	(130.10)	(682.39)	(131.55)	(86.14)	(38.57)	(179.12)	(503.27)	(526.35)
TOTAL	**51,117.50**	**358.37**	**418.42**	**51,057.45**	**6,148.62**	**3,353.96**	**280.93**	**9,221.65**	**41,835.80**	**44,968.88**
Previous Year	49,397.84	1,971.71	252.05	51,117.50	3,790.52	2,465.18	107.08	6,148.62	44,968.88	45,607.32
(B) Intangible Assets										
(Other than internally generated)										
Trade Mark	7.19	-	-	7.19	5.62	0.55	-	6.17	1.02	1.57
	(7.19)	(-)	(-)	(7.19)	(4.99)	(0.63)	(-)	(5.62)	(1.57)	(2.20)
Technical Knowhow	6.33	-	-	6.33	6.33	-	-	6.33	-	-
	(6.33)	(-)	(-)	(6.33)	(6.33)	(-)	(-)	(6.33)	(-)	(-)
Computer Software	3,788.18	34.59	38.31	3,784.46	2,224.85	551.22	38.32	2,737.75	1,046.71	1,563.33
	(3,706.71)	(81.47)	(-)	(3,788.18)	(1,615.80)	(609.05)	(-)	(2,224.85)	(1,563.33)	(2,090.91)
TOTAL	**3,801.70**	**34.59**	**38.31**	**3,797.98**	**2,236.80**	**551.77**	**38.32**	**2,750.25**	**1,047.73**	**1,564.90**
Previous Year	3,720.23	81.47	-	3,801.70	1,627.12	609.68	-	2,236.80	1,564.90	2,093.11
TOTAL									**42,883.53**	46,533.78

#Buildings include ₹ 2,112.52 lacs (Previous Year ₹ 2,112.52 lacs) on long term leases between 56 to 95 years.

*Includes electrical installations.

Previous year figures are given in brackets.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

13 NON - CURRENT INVESTMENTS	As at 31.03.2015	As at 31.03.2014
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 ₹ 157.26 lacs (Previous Year ₹ 136.26 lacs)] (Refer Note 51)	446.74	467.74
2 24,426,438 (Previous Year 4,042,500) Equity shares of ₹ 10/- each in TickerPlant Limited.	2,442.64	404.25
3 59,999,900 (Previous Year 44,999,900) Equity shares of ₹ 10/- each in National Spot Exchange Limited [at cost less provision for other than temporary diminution in value ₹ 5,999.99 lacs (Previous Year ₹ 4,499.99 lacs)] (Refer Note 52)	-	-
4 274,839,428 (Previous Year 170,637,063) Equity shares of ₹ 1/- each in Atom Technologies Limited	2,748.39	1,706.37
5 50,000 (Previous Year 50,000) Equity shares of ₹ 10/- each in Financial Technologies Communications Limited	5.00	5.00
6 109,060,002 (Previous Year 60,002) Ordinary shares of USD 1/- each in FT Group Investments Pvt Limited [at cost less provision for other than temporary diminution in value ₹ 65,433.03 lacs (Previous Year ₹ 24.87 lacs)] (Refer Note 51)	-	-
7 10,002 (Previous Year 10,002) Ordinary shares of USD 1/- each in Knowledge Assets Private Limited	3.98	3.98
8 3,750,000 (Previous Year 3,750,000) Equity shares of ₹ 10/- each in FT Knowledge Management Company Limited [at cost less provision for other than temporary diminution in value ₹ 239.00 lacs (Previous Year ₹ Nil lacs)] (Refer Note 51)	136.00	375.00
9 111,600,001 (Previous Year 111,600,001) Ordinary shares of SGD 1/- each in Financial Technologies Singapore PTE Limited	36,874.36	36,874.36
10 Nil (Previous Year 5,000) Ordinary shares of MUR 1/- each in Financial Technologies Projects Pvt. Limited [at cost less provision for other than temporary diminution in value ₹ Nil (Previous Year ₹ 0.08 lac)] (Refer Note 51) (Voluntarily wound up during the year.)	-	-
	42,657.11	**39,836.70**
(b) In equity shares of a jointly controlled entity:		
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 Optionally Convertible Preference shares of a subsidiary company:		
15,000,000 (Previous Year 15,000,000) 5% Optionally Convertible Preference shares of USD 1/- each in FT Group Investments Pvt. Limited [at cost less provision for other than temporary diminution in value ₹ 6,904.50 lacs (Previous Year ₹ 6,904.50 lacs)] (Refer Note 51)	-	-
Total Trade Investments - Unquoted (A)	**43,485.89**	**40,665.48**
B) In bonds:		
1 150 (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
2 200,000 (Previous Year 200,000) Non Convertible 7.38% REC 2027 Tax Free Series II Bonds of ₹ 1,000/- each	2,000.00	2,000.00
3 200,000 (Previous Year 200,000) Non Convertible 7.36% PFC 2028 Tax Free Series II Bonds of ₹ 1,000/- each	2,000.00	2,000.00
4 200,000 (Previous Year 200,000) Non Convertible 7.36% IIFCL 2028 Tax Free Series II Bonds of ₹ 1,000/- each	2,000.00	2,000.00
5 1,300,000 (Previous Year Nil) Non Convertible 7.40% IIFCL 2033 Tax Free Series III Bonds of ₹ 1,000/- each	13,000.00	-
6 1,470,000 (Previous Year Nil) Non Convertible 7.34% IRFC 2028 Tax Free Bonds of ₹ 1,000/- each	14,700.00	-
7 140 (Previous Year Nil) Non Convertible 7.38% PFC 2027 Tax Free Bonds of ₹ 1,000,000/- each	1,400.00	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

			As at 31.03.2015	As at 31.03.2014
	8	150,000 (Previous Year Nil) Non Convertible 8.67% PFC 2033 Tax Free Series IIIA Bonds of ₹ 1,000/- each	1,500.00	-
	9	280,000 (Previous Year Nil) Non Convertible 8.50% NHAI 2029 Tax Free Series IIA Bonds of ₹ 1,000/- each	2,800.00	-
	10	250 (Previous Year Nil) Non Convertible 8.46% PFC 2028 Tax Free Bonds of ₹ 1,000,000/- each	2,500.00	-
	11	250 (Previous Year Nil) Non Convertible 8.46% NHB 2028 Tax Free Bonds of ₹ 1,000,000/- each	2,500.00	-
	12	1,500 (Previous Year Nil) Non Convertible 7.50% WSPF 2020 Tax Free Bonds of ₹ 100,000/- each	1,500.00	-
	13	150 (Previous Year Nil) Non Convertible 7.38% IIFCL 2027 Tax Free Bonds of ₹ 1,000,000/- each	1,500.00	-
	14	196,000 (Previous Year Nil) Non Convertible 7.19% IIFCL 2023 Tax Free Bonds of ₹ 1,000/- each	1,960.00	-
		Total Investments in Bonds-Quoted (B)	**50,860.00**	7,500.00
C)		**Other than Trade (Unquoted):**		
	(a)	**In equity shares of subsidiary companies:**		
		1 100 (Previous Year 100) Equity Shares of Rand 1/- each in ICX Platform (Pty) Limited [at cost less provision for other than temporary diminution in value ₹ 499.13 lacs (Previous Year ₹ 454.00 lacs)] (Refer Note 51)	-	45.13
		2 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 ₹ 524.99 lacs (Previous Year ₹ 513.00 lacs)] (Refer Note 51)	-	11.99
		3 4,314,395 (Previous Year 4,313,845) Equity shares of ₹ 10/- each in Apian Finance & Investment Limited	550.78	550.78
		4 50,000 (Previous Year 50,000) Ordinary shares of ₹ 10/- each in FT Projects Limited	5.00	5.00
			555.78	612.90
	(b)	**In debentures of a subsidiary company:**		
		30 (Previous Year 30) Unsecured, optionally fully convertible debentures of ₹ 10,000,000/- each in FT Projects Limited	3,000.00	3,000.00
	(c)	**In trust securities:**		
		100 (Previous Year 100) Class A units of ₹ 100,000/- each towards capital contribution of India Venture Trust- Fund I	100.00	100.00
	(d)	**In Government Securities:**		
		National Savings Certificate - VIII Issue (deposited with sales tax authorities)	0.20	0.20
	(e)	**In units of mutual funds (Unquoted):**		
		Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of JP Morgan India Fixed Maturity Plan Series 302 Growth	-	500.00
		Total of other than trade - Unquoted (C)	**54,515.98**	**11,713.10**
		Total Non - Current Investment (A+B+C)	**98,001.87**	**52,378.58**
		Aggregate amount of Unquoted Investments	177,520.77	64,911.28
		Aggregate amount of Unquoted Investments (net of provision for other than temporary diminution)	98,001.87	52,378.58
		Comprises:		
		- Aggregate value of listed but not regularly Quoted Investments	50,860.00	8,000.00
		- Aggregate amount of Unquoted Investments	126,660.78	56,911.28
		- Aggregate amount of Unquoted Investments (net of provision for other than temporary diminution)	47,141.88	44,378.58
		Aggregate provision for other than temporary diminution in the value of Unquoted Investments	79,518.90	12,532.70

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

14 LONG-TERM LOANS AND ADVANCES	As at 31.03.2015	As at 31.03.2014
Unsecured, considered good unless stated otherwise		
Capital advances	11.96	-
Security deposits	65.64	125.69
Loans and advances to related parties (Refer Note 37)		
Considered good	-	71,765.17
Considered doubtful	4,748.49	36,421.95
	4,748.49	108,187.12
Less: Provision for doubtful loans and advances (Refer Notes 37, 51 and 53)	(4,748.49)	(36,421.95)
	-	71,765.17
Loans and advances to employees	93.82	157.14
Prepaid Expenses	206.66	326.27
Balances with government authorities	47.24	48.16
Advance Income Tax (net of provisions)	7,216.64	6,713.64
MAT credit entitlement	19,270.02	9,188.82
TOTAL	**26,911.98**	88,324.89
15 OTHER NON-CURRENT ASSETS		
Unamortised ancillary borrowing costs	249.19	474.21
Deposits with banks (under lien with banks)	1.12	3.41
Unamortisation Premium on purchase of bonds	2,324.95	-
TOTAL	**2,575.26**	477.62
16 CURRENT INVESTMENTS		
(A) Current portion of long-term Investments (at cost):		
In units of mutual funds (Unquoted):		
1 Nil (Previous Year 5,000,000.00) 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 Interval Income Fund -Annual Plan VIII - Gr- Direct	-	500.00
3 Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of DSP BlackRock FMP - Series 88- 12.5M-Dir-Growth	-	500.00
4 Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of DSP BlackRock FMP - Series 89- 12M-Dir-Growth	-	500.00
5 Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of DSP BlackRock FMP - Series 91 - 12M - Dir-Growth	-	500.00
6 Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of HDFC FMP 371D July 2013 (1) - series 26 - Direct - Growth	-	500.00
7 Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of ICICI Prudential FMP Series 67 - 371 Days Plan C Direct Plan Cumulative	-	500.00
8 Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of ICICI Prudential FMP Series 67 - 371 Days Plan E Direct Plan Cumulative	-	500.00
9 Nil (Previous Year 10,000,000.00) units of ₹ 10/- each of ICICI Prudential FMP- Series 68- 368 Days - Plan G - Direct-Growth	-	1,000.00
10 Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of ICICI Prudential FMP- Series 68- 369 Days - Plan I - Direct-Growth	-	500.00
11 Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of IDBI FMP - 385 Days Series III (March 2013) - B -Growth -Direct	-	500.00
12 Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of JP Morgan India Fixed Maturity Plan Series 21-Direct-Growth	-	500.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

			As at 31.03.2015	As at 31.03.2014
	13	5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of JP Morgan India Fixed Maturity Plan Series 302 Growth	500.00	-
	14	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of L&T FMP - VII (March 13M A)- Direct Plan Growth	-	500.00
	15	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of L&T FMP - VII (March 381 D A) Direct Plan Growth	-	500.00
	16	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of L&T FMP Series 8 - Plan A -Direct Growth	-	500.00
	17	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of LIC Nomura Fixed Maturity plan Series 58-392 Days- Direct Growth Plan	-	500.00
	18	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of LIC Nomura Fixed Maturity plan Series 59-392 Days- Direct Growth Plan	-	500.00
	19	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of LIC Nomura MF Fixed Maturity plan Series 66-371 Days- Direct Growth Plan	-	500.00
	20	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Religare Fixed Maturity Plan - Series XIX Plan C (367 days) Direct Plan Gr	-	500.00
	21	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Religare Fixed Maturity Plan - Series XVII Plan D (399 days) Direct	-	500.00
	22	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Religare Fixed Maturity Plan - Series XVIII-Plan B (386 days) Direct	-	500.00
	23	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of SBI Debt Fund Series -366 Days 33 Direct Plan - Growth	-	500.00
	24	Nil (Previous Year 3,500,000.00) units of ₹ 10/- each of Sundaram Fixed Term Plan DH 378 Days Direct Growth	-	350.00
	25	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Tata Fixed Maturity Plan Series 42 Scheme C- Direct Plan -Growth	-	500.00
	26	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Taurus Fixed Maturity Plan 377 Days Series Z - Direct Plan	-	500.00
	27	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of UTI Fixed Term Income Fund Series XV - IX (366 days) Direct - Growth	-	500.00
	28	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of UTI Fixed Term Income Fund Series XV -VIII (368 days) Direct - Growth	-	500.00
			500.00	13,850
		Total current portion of long - term Investments (A)	**500.00**	13,850
B)	**Other current Investments (fully paid up, valued at lower of cost and fair value)**			
	(a)	**In equity shares of subsidiary companies (Unquoted):**		
	1	1,000,000 (Previous Year 1,000,000) Equity shares of ₹ 10/- each in Global Payment Networks Limited	100.00	100.00
	2	Nil (Previous Year 50,000) Equity shares of ₹ 10/- each in Takshashila Academia of Economic Research Limited [at cost less provision for diminution (write down) in value ₹ Nil (Previous Year ₹ 5.00 lacs)] (Refer Note 51)	-	-
	3	Nil (Previous Year 50,000) Equity shares of ₹ 10/- each in Boursa India Limited [at cost less provision for diminution (write down) in value ₹ Nil (Previous Year ₹ 5.00 lacs)] (Refer Note 51)	-	-
	4	Nil (Previous Year 76,000,000) Equity shares of ₹ 10/- each in National Bulk Handling Corporation Limited (Refer Note 48)	-	8,221.15
	5	7,000,000 (Previous Year 7,000,000) Equity shares of ₹ 10/- each in Riskraft Consulting Limited [at cost less provision for diminution (write down) in value ₹ 635.57 lacs (Previous Year ₹ 634.00 lacs)] (Refer Note 51)	64.43	66.00
	6	Nil (Previous Year 50,000) Equity shares of ₹ 10/- each in Trans-Global Credit and Finance Limited [at cost less provision for diminution (write down) in value ₹ Nil (Previous Year ₹ 5.00 lacs)] (Refer Note 51)	-	-
			164.43	**8,387.15**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

			As at 31.03.2015	As at 31.03.2014
(b)	**In equity shares of associate companies (Unquoted)**			
	Nil (Previous Year 49,000) Equity shares of ₹ 10/- each in SME Exchange of India Limited		-	4.90
			-	4.90
(c)	**In equity shares of other company (Quoted)**			
	Nil (Previous Year 13,259,575) Equity shares of ₹ 10/- each in Multi Commodity Exchange of India Limited (Refer Note 45)		-	1,060.77
			-	1,060.77
(d)	**In equity shares of other companies (Unquoted)**			
	1	Nil (Previous Year 27,165,000) Equity shares of ₹ 1/- each in MCX Stock Exchange Limited (Refer Note 46)	-	271.65
	2	7,775,515 (Previous Year 7,775,515) Equity shares of ₹ 10/- each in Indian Energy Exchange Limited (Refer Note 47)	777.55	777.55
	3	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	59.59
	4	1,496,500 (Previous Year 1,496,500) Equity shares of ₹ 1/- each in Delhi Stock Exchange Limited (Refer Note 46) [at cost less provision for diminution (write down) in the value of investment of ₹ 560.16 lacs (Previous Year ₹508.81 lacs)]	487.39	538.74
	5	10,000 (Previous Year 10,000) Equity shares of ₹ 10/- each in National Stock Exchange of India Limited (Refer Note 46)	278.47	278.47
	6	49,000 (Previous Year Nil) Equity shares of ₹ 10/- each in SME Exchange of India Limited (Under Liquidation)	4.90	-
	7	5,750,000 (Previous Year 5,750,000) Equity shares of ₹ 10/- each in MCX-SX Clearing Corporation Limited (Refer Note 46)	575.00	575.00
	8	290,000 (Previous Year 290,000) Equity shares of ₹ 10/- each in Vadodara Stock Exchange Limited (Refer Note 46)	134.85	134.85
			2,317.75	2,635.85
(e)	**In warrants of other company**			
	Nil (Previous Year 562,460,000) Warrants of ₹ 1/- each of MCX Stock Exchange Limited. (MCX-SX) (Refer Note 46)		-	5,624.60
			-	**5,624.60**
(f)	**In units of mutual funds (Unquoted):**			
	1	Nil (Previous Year 42,384.14) units of ₹ 1000/- each of Axis Liquid Fund- Direct Plan - Growth	-	601.71
	2	Nil (Previous Year 200,344.58) units of ₹ 1000/- each of BOI Axa Liquid Fund Direct Plan - Growth	-	2,957.08
	3	Nil (Previous Year 7,707,026.32) units of ₹ 10/- each of Canara Robeco Income -Direct Quarterly Dividend	-	1,007.38
	4	Nil (Previous Year 27,328.71) units of ₹ 1000/- each of DSP BlackRock Liquidity Fund - Direct Plan - Growth	-	500.89
	5	9,081,497.36 (Previous Year Nil) units of ₹ 10/- each of HDFC Banking and PSU Debt Fund Direct Growth	1,000.00	-
	6	95,743,332.99 (Previous Year Nil) units of ₹ 10/- each of HDFC Income Fund - Growth	30,549.97	-
	7	Nil (Previous Year 78,279.58) units of ₹ 1000/- each of HSBC Cash Fund-Growth Direct Plan	-	1,000.00
	8	62,892,342.66 (Previous Year Nil) units of ₹ 10/- each of ICICI Prudential Income Regular Plan Growth	27,507.35	-
	9	Nil (Previous Year 1,372,271.53) units of ₹ 100/- each of ICICI Prudential Liquid-Direct Plan - Growth	-	2,601.94
	10	Nil (Previous Year 5,358,779.89) units of ₹ 10/- each of ICICI Prudential Regular Savings Fund- Regular Plan - Quarterly Dividend [at cost less provision for diminution (write down) in value ₹ Nil (Previous Year ₹ 8.72 lacs)]	-	546.64

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

		As at 31.03.2015	As at 31.03.2014
11	Nil (Previous Year 22,612,702.80) units of ₹ 10/- each of IDBI Dynamic Bond Fund -Direct Plan - Quarterly Dividend Reinvestment	-	2,425.62
12	14,743,198.01 (Previous Year Nil) units of ₹ 10/- each of IDFC Super Saver Income Fund Investment Plan Regular- Growth	5,014.93	-
13	52,097.56 (Previous Year Nil) units of ₹ 1000/- each of Indiabulls Liquid Fund- Direct Plan Growth	705.20	-
14	111,512.45 (Previous Year Nil) units of ₹ 1000/- each of Indiabulls Ultra Short Term Fund - Direct Plan Growth	1,500.00	-
15	10,454,296.25 (Previous Year 10,454,296.25) units of ₹ 10/- each of JM High Liquidity Fund - Bonus Option -Principal (Bonus) Units	1,024.91	1,024.91
16	38,326,794.98 (Previous Year Nil) units of ₹ 10/- each of Kotak Bond Scheme Plan A - Growth (Regular Plan)	15,000.00	-
17	10,810,594.26 (Previous Year Nil) units of ₹ 10/- each of Kotak Gilt (Investment Regular) - Growth	5,142.11	-
18	35,275.35 (Previous Year Nil) units of ₹ 1000/- each of Kotak Liquid Scheme Plan A - Direct Plan Growth	1,000.00	-
19	2,883,061.29 (Previous Year 2,883,061.29) units of ₹ 10/- each of L&T Floating Rate Fund Direct - Growth -(Bonus)	333.33	333.33
20	52,299.00 (Previous Year 18,739.46) units of ₹ 1000/- each of L&T Liquid Fund Direct Plan - Growth	1,000.00	329.14
21	1,340,928.35 (Previous Year 1,340,928.35) units of ₹ 10/- each of L&T Triple Ace Bond Fund - Bonus- Original [at cost less provision for diminution (write down) in value ₹ Nil (Previous Year ₹ 1.90 lacs)]	166.67	164.77
22	Nil (Previous Year 9,677,336.06) units of ₹ 10/- each of Morgan Stanley Active Bond Fund- Direct - Quarterly Dividend [at cost less provision for diminution (write down) in value ₹ Nil (Previous Year ₹ 22.59 lacs)]	-	1,131.75
23	Nil (Previous Year 7,235,881.65) units of ₹ 10/- each of Morgan Stanley Short Term Bond Fund- Direct Growth	-	987.39
24	Nil (Previous Year 37,296,386.59) units of ₹ 10/- each of Peerless Liquid Fund -Direct Plan Growth	-	5,241.34
25	65,171.63 (Previous Year Nil) units of ₹ 1000/- each of Peerless Liquid Fund -Direct Plan Growth.	1,000.00	-
26	67,185.06 (Previous Year Nil) units of ₹ 1000/- each of Pramerica Liquid Fund - Direct Plan - Growth	1,000.00	-
27	36,932,882.40 (Previous Year Nil) units of ₹ 10/- each of Reliance Dynamic Bond Fund - Growth Plan - Growth Option	7,000.00	-
28	27,902,902.68 (Previous Year Nil) units of ₹ 10/- each of Reliance Gilt Securities Fund - Growth Plan Growth Option	5,012.56	-
29	34,147,709.54 (Previous Year Nil) units of ₹ 10/- each of Reliance Income Fund - Growth Plan - Growth Option	15,492.70	-
30	Nil (Previous Year 100,040.11) units of ₹ 1000/- each of Reliance Liquid Fund Treasury Plan - Direct Plan - Growth Plan - Growth Option	-	3,124.92
31	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Reliance Yearly Interval Fund - Series 5 -Direct Plan - Growth Plan	-	500.00
32	Nil (Previous Year 217,148.71) units of ₹ 1000/- each of Religare Invesco Liquid Fund-Direct Plan Growth	-	3,827.58
33	132,895.40 (Previous Year Nil) units of ₹ 1000/- each of Religare Invesco Short Term Fund -Direct Plan Growth	2,500.00	-
34	Nil (Previous Year 116,730.12) units of ₹ 1000/- each of SBI Premier Liquid Fund- Direct Plan Growth	-	2,351.98
35	163,070.34 (Previous Year Nil) units of ₹ 1000/- each of SBI Ultra Short Term Debt Fund -Direct Plan - Growth	2,922.54	-
36	Nil (Previous Year 14,665,398.18) units of ₹ 10/- each of Sundaram Money Fund Direct Plan -Growth	-	3,964.53
37	3,026,671.03 (Previous Year 3,026,671.03) units of ₹ 10/- each of Sundaram Mthly Income Plan Mod Bonus (PRINCIPAL Units) Bonus Units	333.33	333.33

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

		As at 31.03.2015	As at 31.03.2014
38	8,281,779.26 (Previous Year Nil) units of ₹ 10/- each of Sundaram Select Debt Short Term Asset Plan Direct Plan GR	2,000.00	-
39	66,261.74 (Previous Year 313,137.98) units of ₹ 1000/- each of Taurus Liquid Fund -Direct Plan -Super Institutional Growth	1,000.00	4,338.19
40	40,875.22 (Previous Year Nil) units of ₹ 1000/- each of Taurus Short Term Income Fund - Direct Plan - Growth	1,000.00	-
41	Nil (Previous Year 52,460.74) units of ₹ 1000/- each of Templeton India Treasury Management Account -Super Institutional Plan - Direct -Growth	-	1,001.87
42	Nil (Previous Year 242,243.80) units of ₹ 1000/- each of UTI - Money Market Fund - Institutional Plan -Direct Plan -Growth	-	3,477.76
43	11,968,221.98 (Previous Year Nil) units of ₹ 10/- each of UTI -Bond Fund - Growth	5,000.00	-
44	6,050,924.58 (Previous Year Nil) units of ₹ 10/- each of UTI Short Term Income Fund-Institutional Option-Direct Plan - Growth	1,000.00	-
		135,205.60	43,774.05
	Total other current Investments (B)	**137,687.78**	61,487.32
	Total current Investments (A+B)	**138,187.78**	75,337.32
	Aggregate amount of quoted Investments	-	1,060.77
	Aggregate Market value of listed and quoted Investments	-	64,985.18
	Aggregate amount of unquoted Investments	139,143.20	75,548.42
	Aggregate amount of unquoted Investments [net of diminution (write down) in the value of current Investments]	138,187.78	74,276.55
	Comprises:		
	- Aggregate value of listed but not quoted investments	500.00	13,850.00
	- Aggregate amount of unquoted Investments	138,643.20	61,698.42
	- Aggregate amount of unquoted Investments [net of diminution (write down) in the value of current Investments]	137,687.78	60,426.55
	Aggregate provision for diminution (write down) in the value of current Investments	955.42	1,271.87

17 TRADE RECEIVABLES		
Unsecured, considered good unless stated otherwise		
(a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Considered good	185.26	230.42
Considered doubtful	268.94	432.54
	454.20	662.96
Less: Provision for doubtful trade receivables	(268.94)	(432.54)
	185.26	230.42
(b) Other Trade Receivables	1,477.52	6,545.18
TOTAL	**1,662.78**	6,775.60

18 CASH AND CASH EQUIVALENTS		
Balances that meet the definition of Cash and Cash equivalents as per AS 3 - Cash Flow Statements		
Balances with banks		
In current accounts	1,524.52	4,773.86
In earmarked accounts		
In current accounts	576.37	37.56
In deposit accounts with original maturity of less than 3 months	2,041.72	1,951.73
	4,142.61	6,763.15

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

		As at 31.03.2015	As at 31.03.2014
	Other Bank Balances		
	In deposit accounts with original maturity of more than 12 months	4,913.02	2,123.74
	[Includes ₹ 4912.77 lacs (Previous Year: ₹2,107.69 lacs) under lien with banks]		
	In deposit accounts with original maturity of more than 3 months but less than 12 months	1,848.86	2,945.07
	[Includes ₹ 12.00 lacs (Previous Year: ₹ 2,602.21 lacs) under lien with banks]		
	In earmarked accounts		
	Unpaid dividend accounts	88.46	87.12
		6,850.34	5,155.93
	TOTAL	**10,992.95**	11,919.08
19	**SHORT-TERM LOANS AND ADVANCES**		
	Unsecured, considered good unless stated otherwise		
	Loans and advances to related parties (Refer Note 39)		
	Considered good	4,868.41	30,770.63
	Considered doubtful	146.71	274.87
		5,015.12	31,045.50
	Provision for doubtful loans and advances (Refer Notes 37, 51 and 53)	(146.71)	(274.87)
		4,868.41	30,770.63
	Security deposits		
	Considered good	15.06	379.14
	Considered doubtful	12.14	27.25
		27.20	406.39
	Less: Provision for doubtful deposits	(12.14)	(27.25)
		15.06	379.14
	Loans and advances to employees		
	Considered good	32.37	103.57
	Considered doubtful	-	0.60
		32.37	104.17
	Less: Provision for doubtful loans and advances	-	(0.60)
		32.37	103.57
	Prepaid expenses	704.56	1,127.49
	Balances with government authorities	1,212.26	969.22
	Advances for supply of goods and services		
	Considered good	1,487.97	1,113.53
	Considered doubtful	-	14.67
		1,487.97	1,128.20
	Less: Provision for doubtful advances for supply of goods and services	-	(14.67)
		1,487.97	1,113.53
	Other advances	-	23.39
	TOTAL	**8,320.63**	34,486.97

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

		As at 31.03.2015	As at 31.03.2014
20	**OTHER CURRENT ASSETS**		
	Unbilled revenue	517.10	40.63
	Unamortised ancillary borrowing costs	225.01	224.40
	Unamortisation Premium on purchase of bonds	179.61	-
	Interest accrued on bank deposits	345.46	170.18
	Receivable on sale of investments	2,375.37	-
	Interest accrued on Bonds	1,406.05	259.07
	Dividend Receivable from Shares	2,254.90	-
	Contractually reimbursable expenses	65.46	247.16
	Other Receivable	27.44	140.21
	Balance in ESCROW account with bank	5,861.22	-
	Rent receivable	-	199.64
	Guarantee Fees receivable from related party	-	167.96
	TOTAL	**13,257.62**	1,449.25

(₹ lacs)

		Year Ended 31.03.2015	Year Ended 31.03.2014
21	**REVENUE FROM OPERATIONS**		
	Income from software products (IPR based license)	4,588.88	6,995.26
	Income from software services (Project based)	9,634.83	23,338.26
	IT infrastructure income	1,635.18	2,330.48
	Sale of traded goods		
	Computer hardware	-	4.01
	Computer software	3.43	3.59
		3.43	7.60
	Other operating revenues		
	Business support services	231.77	730.31
	Others	9.02	69.58
	TOTAL	**16,103.11**	**33,471.49**
22	**OTHER INCOME**		
	Interest income on		
	Bank deposits	871.23	376.64
	Long-term investments	1,608.78	696.01
	Loans to subsidiaries	2,508.24	6,330.32
	Interest on overdue trade receivables / Other	151.90	-
	Loans to employees	17.83	33.40
		5,157.98	**7,436.37**
	Dividend income		
	From long-term investments		
	In associates	-	2,724.04
	In Subsidiary	12,322.70	
	Others	2,491.19	5.00
	From current investments		
	In an associate company	-	69.49
	Others	2,103.08	511.84
		16,916.97	**3,310.37**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

		Year Ended 31.03.2015	Year Ended 31.03.2014
	Net gain on sale of investments		
	Long-term investments	1,297.79	4,123.78
	Current investments		
	Others	6,860.95	3,834.05
		8,158.74	7,957.83
	Other non-operating income		
	Rental income from operating leases [Refer Note 30(b)]	993.79	1,386.42
	Provisions / liabilities no longer required written back	50.75	-
	Guarantee fees	-	534.67
	Advances received written back	12,983.20	-
	Miscellaneous income	3.47	29.51
	TOTAL	**44,264.90**	20,655.17
23	**PURCHASES OF STOCK-IN-TRADE**		
	Computer hardware	-	3.32
	Computer software	1.65	2.77
	TOTAL	**1.65**	6.09
24	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries and wages	10,440.82	11,752.22
	Contribution to provident fund and other funds (Refer Note 41)	820.19	283.27
	Expenses on employee stock option (ESOP) schemes (Refer Note 40)	574.00	-
	Staff welfare expenses	256.09	239.70
	TOTAL	**12,091.10**	12,275.19
25	**FINANCE COSTS**		
	Interest expense on:		
	Borrowings	2,209.01	2,782.27
	Delayed payment of tax	0.92	9.60
	Other borrowing costs:		
	Reversal of provision for estimated loss on interest rate swap contracts	(174.22)	(469.23)
	Amortisation of ancillary borrowing costs	230.41	731.18
	TOTAL	**2,266.12**	3,053.82
26	**DEPRECIATION AND AMORTISATION EXPENSE**		
	Depreciation on tangible assets (Refer Note 44)	3,353.96	2,465.18
	Amortisation of intangible assets	551.77	609.68
	TOTAL	**3,905.73**	3,074.86

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

27 OTHER EXPENSES*		Year Ended 31.03.2015	Year Ended 31.03.2014
Electricity		506.93	491.19
Rent including lease rentals [Refer Note 30 (a)]		143.43	190.94
Repairs and maintenance- buildings		22.87	10.29
Repairs and maintenance- others		629.63	668.78
Insurance		117.29	73.45
Rates and taxes, excluding taxes on income		54.61	159.52
Travelling and conveyance		400.51	296.56
Communication expenses		521.82	536.12
"Net loss on foreign currency transactions and translations"		2,127.03	2,922.56
Write down in value of current investments (net)		18.14	534.75
Legal and professional charges		7,147.99	4,008.09
Software license fees		663.10	650.96
Advertisement Expenses		270.84	27.70
Office Expenses		350.24	364.53
Loss on disposal/write off of fixed assets (net)		42.71	40.87
Bad debts/advances written off	202.51		84.88
Less: Provision written back	170.37		(75.50)
		32.14	9.38
Provision for doubtful trade receivables / advances		-	70.86
CSR related Expenses		537.26	-
Donations		350.15	264.94
Remuneration to directors of subsidiaries		141.35	-
Provision for commission to non-executive directors		200.00	166.00
Miscellaneous expenses		1,101.16	1,112.50
TOTAL		**15,379.20**	12,599.99
* Net of recoveries on account of sharing of common expenses (Refer Note 37 for sharing of common expenses with related parties)			
28 EXCEPTIONAL ITEMS			
Net gain on sale of:			
Current investments		98,797.62	-
Long-term investments	(155.12)		6,989.14
Less: Provision written back	147.00		
		(8.12)	-
		98,789.50	6,989.14
Loss on reduction in shares in subsidiary	(20,999.05)		
Less: Provision written back	14,998.99		
		(6,000.06)	
Loan to subsidiaries written off (Refer Note 37 and 53)	(17,939.81)		-
Less: Provision written back	17,939.81		-
		-	-
Provision of doubtful loans & advances to and trade receivables from subsidiaries (Refer Note 51, 53 and 54)		(1,280.59)	(36,696.81)
Provision for other than temporary diminution in value of long term investments in subsidiaries (Refer Notes 51 and 52)		(67,226.76)	(11,444.44)
TOTAL		**24,282.09**	(41,152.11)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

29 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 ₹ 6,511.11 lacs (Previous Year ₹ 4,971.06 lacs)].	8,385.35	6,860.06
(ii) MVAT, Service tax and Excise dues contested by the Company.	541.44	481.94
(iii) Refer Note 57 for pending writ petitions, public interest litigations, civil suits and First Information Report.		
(b) Guarantees		
(i) Guarantees given to third parties by the Company on behalf of its subsidiary companies.	257.96	225.45
(ii) Letters of comfort issued to banks in respect of credit facilities availed by subsidiary companies.	50.03	200.00
Future cash outflows in respect of the above matters are determinable only on receipt of judgments / 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.	23.26	4.67
(ii) for commitments relating to lease (Refer Note 30) and for commitments relating to derivatives (Refer Note 33)		
(iii) The Company has provided letters committing continuing financial support to its subsidiaries viz. Bourse Africa Limited, Bahrain Financial Exchange BSC, FT Group Investment Pvt. Ltd, Knowledge Assets Private Limited and Bourse Africa (Botswana) Limited to meet their day to day obligations / loan obligations / commitments, to the extent these entities may be unable to meet their obligations.		

30 OPERATING LEASE

(a) The Company has entered into various cancellable and non-cancellable operating lease agreements as a lessee for various premises ranging from 6 months to 60 months and may be renewed for further period based on mutual agreement of the parties. 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 including lease rental'.

Disclosure for non-cancellable operating lease is as follows:

(₹ lacs)

PARTICULARS	Current Year	Previous Year
Lease expenditure		
Lease rentals [net of recoveries ₹ 38.37 lacs)	143.43	190.94
(Previous Year ₹ 211.48 lacs)]		
Future minimum lease payments		
Not later than one year	0.63	17.38
Later than one year and not later than five years	-	-
Later than five years	-	-

(b) The Company has entered into various cancellable and non-cancellable operating lease agreements as a lessor for various premises ranging from 2 months to 60 months and may be renewed for further period based on mutual agreement of the parties. 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'.

Disclosure for non-cancellable operating lease is as follows:

(₹ lacs)

PARTICULARS	Current Year	Previous Year
Lease Income		
Lease rentals	993.79	1,386.42
Future minimum lease payments		
Not later than one year	1,636.67	735.04
Later than one year and not later than five years	1,333.11	1,271.60
Later than five years	-	-
Fixed Assets*		
Gross carrying amount of leased assets	11,924.57	11,924.57
Accumulated depreciation	859.58	665.21
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 MARCH 31, 2015

31 A) EXPENDITURE IN FOREIGN CURRENCY (INCLUDING FOREIGN BRANCHES):

(₹ lacs)

NATURE OF EXPENSES	Current Year	Previous Year
Travelling expenses	26.77	15.48
Legal and professional charges	5.81	3.75
Interest expenses on borrowings	1,668.92	2,051.36
Amortisation of ancillary borrowing costs	190.65	539.36
Insurance	-	0.24
Rent	6.38	5.19
Repairs and maintenance- others	1.00	0.93
IT Support Charges	16.56	-
Software license fees	46.22	211.29
Miscellaneous expenses	6.27	21.23
Total	**1,968.58**	2,848.83

B) EARNINGS IN FOREIGN EXCHANGE (INCLUDING FOREIGN BRANCHES):

(₹ lacs)

NATURE OF INCOME	Current Year	Previous Year
Income from software products (IPR based license)	59.38	34.32
Income from software services (Project based)	1,074.38	7,795.30
Sale of traded goods	-	0.63
Guarantee Fees	-	534.67
Interest on bank deposits	13.99	19.04
Interest on loans to subsidiaries	2,007.29	5,557.37
Advances received written back	12,891.00	-
Dividend Received	12,322.70	-
Total	**28,368.74**	13,941.33

32 DISCLOSURES REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006:

(a) An amount of ₹ 14.01 lacs (Previous Year ₹ 4.94 lacs) and ₹ NIL (Previous Year ₹ Nil) was due and outstanding to suppliers as at the end of the accounting year on account of Principal and Interest respectively. (Refer Note 9)

(b) No interest paid during the year.

(c) No interest is due and payable at the end of the year.

(d) No amount of interest 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.

33 A) DERIVATIVE INSTRUMENTS OUTSTANDING AS AT THE BALANCE SHEET DATE

TYPE OF CONTRACT	Currency	Amount in foreign currency (USD in lacs)	
		As at 31.03.2015	As at 31.03.2014
Interest rate swap contracts (Floating to Fixed)	USD	747.73*	764.50*

*Principal amount of loan covered under contracts.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

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	₹ in Lacs	Foreign Currency in lacs	₹ in Lacs
Payables in foreign currency					
Borrowings including interest	-USD	771.05	48,260.48	771.14	46,345.62
Advances from customers	-USD	-	-	208.30	12,518.81
Other payables	-AED	1.60	27.23	1.60	26.08
	-USD	0.42	26.38	0.11	6.33
Receivables in foreign currency					
Loans and advances to related parties					
including interest	-SGD	-	-	0.43	20.42
	-USD	48.07	3,009.01	1,787.28	107,414.90
Trade receivables	-USD	0.41	25.40	2.81	168.78
Other receivables	-USD	-	-	3.48	208.89

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

(₹ lacs)

PARTICULARS	Current Year	Previous Year
For audit (*includes ₹ 50.00 lacs pertaining to additional work in respect of year ended March 31, 2013)	33.00	69.00*
For taxation matters	6.00	7.50
For limited reviews	12.00	11.00
For other services	33.63	5.60
Reimbursement of expenses	2.28	0.22
Total	**86.92**	93.32

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 as per allocation made by the management and shown in the respective heads of the account is ₹ 1,071.79 lacs (Previous Year ₹ 948.96 lacs). This has been relied upon by the auditors.

36 EARNINGS PER SHARE IS CALCULATED AS FOLLOWS :

(₹ lacs)

PARTICULARS	Current Year	Previous Year
(a) Net profit / (Loss) attributable to the equity shareholders (for basic/diluted EPS)	44,513.88	(22,854.85)
(b) Weighted average number of equity shares		
For Basic EPS	46,078,537	46,078,537
Add: Effect of dilutive stock options	146,267	-
For Diluted EPS	46,224,804	46,078,537
(c) Basic earnings per share (in ₹)	96.60	(49.60)
(d) Diluted earnings per share (in ₹)	96.30	(49.60)
(e) Face value ₹ per share	2/-	2/-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

37 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 (WGAGL) (Subsidiary of NSEL)
7 Farmer Agricultural Integrated Development Alliance Ltd. (FAIDA) (Subsidiary of NSEL)
8 National Bulk Handling Corporation Ltd. (NBHC) (Refer Note 48) (Subsidiary upto April 25, 2014)
9 FT Group Investments Pvt. Ltd. (FTGIPL)
10 Financial Technologies Middle East- DMCC (FTME) (Subsidiary of FTGIPL)
11 Bourse Africa Limited (BAL) [(formerly known as Global Board of Trade Ltd.] (Subsidiary of FTGIPL)
12 Bourse Africa Clear Limited (BACL) (formerly known as GBOT Clear Limited) (Subsidiary of BAL)
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. (IBMA) (Subsidiary of NSEL)
18 Trans-Global Credit & Finance Ltd. (TGCFL) (Subsidiary upto August 19, 2014)
19 Capricorn Fin-Tech (Pvt). Ltd. (Subsidiary of FTME)
20 Bourse Africa (Botswana) Limited (BABL) (formerly known as Bourse Africa Ltd.) (Subsidiary of FTGIPL)
21 Boursa India Ltd. (BIL) (Subsidiary upto August 19, 2014)
22 ICX Platform (Pty) Ltd. (ICX)
23 Credit Market Services Ltd. (CMSL)
24 Takshashila Academia of Economic Research Ltd. (TAER) (Subsidiary upto September 15, 2014)
25 Apian Finance and Investments Ltd. (APIAN)
26 Bahrain Financial Exchange BSC (c) (BFX) (Subsidiary of FTGIPL)
27 BFX Clearing & Depository Corporation BSC(c) (Subsidiary of BFX)
28 Financial Technologies Singapore Pte Ltd. (FTSPL)
29 Singapore Mercantile Exchange PTE Ltd. (SMX) (Subsidiary of FTSPL) (upto February 3, 2014) (Refer Note 50)
30 Singapore Mercantile Exchange Clearing Corporation PTE Ltd. (SMX-CCL) (Subsidiary of SMX) (upto February 3, 2014) (Refer Note 50)
31 FT Projects Ltd. (FTPL)
32 Financial Technologies Projects Pvt. Ltd. (FTPPL) (under liquidation)
33 ICX Africa Ltd. (Subsidiary of BAL) (Liquidated w.e.f. May 19, 2014)
34 Bourse Exchange Nigeria Ltd. (Subsidiary of BAL) (Subsidiary upto January 19, 2015)
35 Bourse Africa (Kenya) Ltd. (Subsidiary of BAL) (Liquidated w.e.f. May 7, 2014)
36 Bourse Uganda Ltd. (Subsidiary of BAL) (Liquidated w.e.f. June 10, 2014)
37 Bourse Zambia Ltd. (Subsidiary of BAL) (Liquidated w.e.f. January 24, 2014)
38 Bourse Tanzania Ltd. (Subsidiary of BAL) (Liquidated w.e.f. May 28, 2014)
39 Bourse South Africa Limited (Subsidiary of BAL) (Under Liquidation)

(ii) Associate Companies:

1 Multi Commodity Exchange of India Ltd. (MCX) (upto December 25, 2013, Refer Note 45)
2 MCX-SX Clearing Corporation Ltd. (MCXSX-CCL) (upto March 18, 2014, Refer Note 46)
3 Indian Energy Exchange Ltd. (IEX) (Refer Note 47) (upto May 13, 2014)
4 SME Exchange of India Ltd. (SME) (under liquidation)

(iii) Jointly Controlled Entity:

Dubai Gold and Commodities Exchange (DGCX)

(iv) Key Management Personnel (KMP)

1	Mr. Jignesh Shah*	:	Chairman and Managing director (upto November 20, 2014)
2	Mr. Dewang Neralla	:	Whole time director (upto November 20, 2014)
3	Mr. Manjay Shah*	:	Whole time director (upto November 20, 2014)
4	Mr. Prashant Desai	:	Whole time director (w.e.f. November 7, 2014) Managing director & CEO (w.e.f. November 21, 2014)
5	Mr. Rajendra Mehta	:	Whole time director (w.e.f. November 21, 2014)
6	Mr. Jigish Sonagra	:	Whole time director (w.e.f. November 21, 2014)
7	Mr. Devendra Agrawal	:	Chief Financial Officer (w.e.f. November 5, 2014)
8	Mr. Hariraj Chouhan	:	Company secretary (w.e.f. November 5, 2014)

* Mr. Jignesh Shah and Mr. Manjay Shah are brothers.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(v) **Entity over which Key management personnel (referred in (iv) 1 above) and relative of the said KMP can exercise significant influence:**
La-fin Financial Services Pvt. Ltd. (La-fin)

II. **Details of transactions with subsidiaries, associates and jointly controlled entity during the year ended March 31, 2015 and balances outstanding as at March 31, 2015:**

(₹ lacs)

NATURE OF TRANSACTION	Subsidiary Companies	Associate Companies # For the year / as at the year end	Jointly Controlled Entity	Total
1 Loan given:				
Opening balance	137,040.00	-	-	137,040.00
	(49,860.12)	(-)	(-)	(49,860.12)
Given during the year	1,098.76	-	-	1,098.76
	(119,577.59)	(-)	(-)	(119,577.59)
Repaid / adjusted during the year	27,299.23	-	-	27,299.23
	(37,874.90)	(-)	(-)	(37,874.90)
Converted into Equity	86,407.20	-	-	86,407.20
	(-)	(-)	(-)	(-)
Loan to subsidiaries written off	17,940.81	-	-	17,940.81
	(-)	(-)	(-)	(-)
Exchange rate fluctuation	259.07	-	-	259.07
	(5,477.19)	(-)	(-)	(5,477.19)
Balance as at end of the year	6,750.59	-	-	6,750.59
	(137,040.00)	(-)	(-)	(137,040.00)
2 Income from software products (IPR based license)	59.38	-	-	59.38
	(34.32)	(40.83)	(-)	(75.15)
3 Income from software services (Project based)	885.56	214.60	-	1,100.16
	(7,861.52)	(7,391.48)	(-)	(15,253.00)
4 IT infrastructure sharing income	-	-	-	-
	(-)	(566.69)	(-)	(566.69)
5 Sale of traded goods	-	-	-	-
	(0.53)	(-)	(-)	(0.53)
6 Other Operating revenues				
Business Support Services	220.89	-	-	220.89
	(400.37)	(175.00)	(-)	(575.37)
Others	-	-	-	-
	(0.11)	(16.03)	(-)	(16.14)
7 Other Income				
Interest income	2,474.95	-	-	2,474.95
	(6,330.32)	(-)	(-)	(6,330.32)
Rental income from operating leases	258.92	-	-	258.92
	(366.74)	(-)	(-)	(366.74)
Dividend Income	12,322.70	-	-	12,322.70
	(-)	(2,793.53)	(-)	(2,793.53)
Advances received written back	12,840.93	-	-	12,840.93
	(-)	(-)	(-)	(-)
Guarantee fees	-	-	-	-
	(534.67)	(-)	(-)	(534.67)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

NATURE OF TRANSACTION		Subsidiary Companies	Associate Companies # For the year / as at the year end	Jointly Controlled Entity	Total
8	**Sale of Tangible Assets**	18.79	-	-	18.79
		(5.50)	(-)	(-)	(5.50)
9	**Purchase of Tangible Assets**	0.23	-	-	0.23
		(0.26)	(88.41)	(-)	(88.67)
10	**Recoveries charged by the Company towards expenses** (Refer Note 27)	308.23	-	-	308.23
		(740.42)	(197.58)	(-)	(938.00)
11	**Reimbursement of expenses charged to the Company***	192.45	-	-	192.45
		(73.54)	(5.34)	(-)	(78.88)
12	**Advances given**				-
	Balance as at end of the year	3,013.02	-	-	3,013.02
		(2,190.46)	(2.16)	(-)	(2,192.62)
13	**Current Liabilities as at end of the year**				-
	Trade payables	14.42	-	-	14.42
		(15.89)	(-)	(-)	(15.89)
	Income received in advance / unearned revenue	-	-	-	-
		(664.49)	(138.67)	(-)	(803.16)
	Advances from customers	-	-	-	-
		(12,470.71)	(-)	(-)	(12,470.71)
14	**Receivables as at end of the year**				
	Trade receivables	87.29	-	-	87.29
		(289.72)	(39.81)	(-)	(329.53)
	Other receivable	-	-	-	-
		(341.54)	(3.66)	(-)	(345.20)
15	**Guarantees given by the company on behalf of its subsidiaries.**				
	Increase in guarantees given	32.51	-	-	32.51
		(22,506.75)	(-)	(-)	(22,506.75)
	Decrease in guarantees given	-	-	-	-
		(92,302.46)	(-)	(-)	(92,302.46)
	Balance as at end of the year	257.96	-	-	257.96
		(225.45)	(-)	(-)	(225.45)
16	**Investments made during the year**				
	Subscription to Equity / Ordinary shares	91,132.60	-	-	91,132.60
		(501.05)	(-)	(-)	(501.05)
17	**Investment balance as at end of the year**			-	-
	Cost	126,770.79	-	828.78	127,599.57
		(65,018.45)	(782.45)	(828.78)	(66,629.68)
	Provision for other than temporary diminution in the value of Investments	80,393.46	-	-	80,393.46
		(13,181.70)	(-)	(-)	(13,181.70)
	Net Carrying value of Investments	46,377.33	-	828.78	47,206.11
		(51,836.75)	(782.45)	(828.78)	(53,447.98)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

NATURE OF TRANSACTION	Subsidiary Companies	Associate Companies # For the year / as at the year end	Jointly Controlled Entity	Total
18 Provision made during the year				
Provision for other than temporary diminution in value of investments	67,226.76	-	-	67,226.76
	(11,444.44)	(-)	(-)	(11,444.44)
Provision for doubtful loans and advances	1,269.19	-	-	1,269.19
	(36,696.82)	(-)	(-)	(36,696.82)
Provision for doubtful trade receivables	11.40	-	-	11.40
	(24.07)	(-)	(-)	(24.07)
19 Provision as at end of the year				
Provision for other than temporary diminution in value of investments	80,393.46	-	-	80,393.46
	(13,181.70)	(-)	(-)	(13,181.70)
Provision for doubtful loans and advances	4,895.20	-	-	4,895.20
	(36,696.82)	(-)	(-)	(36,696.82)
Provision for doubtful trade receivables	33.64	-	-	33.64
	(24.07)	(-)	(-)	(24.07)

*Includes payment to Mr. Manjay Shah, brother of Mr. Jignesh Shah, ₹ 79.58 lacs (Previous Year Nil) towards remuneration as director of a subsidiary company.

#In respect of MCX, transactions are reported upto December 31, 2013 and In respect of IEX, transactions are reported upto May 13, 2014.

Notes:

1 The Company has derecognised / postponed the income receivable from its subsidiary NSEL and IBMA. (Refer Note 54)

2 Refer Note 29(1)(b)(ii) for letter of comforts issued and Note 29(2)(iii) for letters committing continuing financial support to its subsidiaries.

3 Previous year figures are given in brackets.

III Transactions with Key Managerial Personnel (KMP), relatives of KMP and Entity over which KMP and relative of KMP can excersise significant influence:

(₹ lacs)

Sr. No.	NATURE OF TRANSACTIONS	KMP	Relatives of KMP	Entity over which the KMP and relative of KMP can exercise significant influence-La-Fin	Total
1.	Salary and Allowances	1,719.58	-	-	1,719.58
		(1,283.55)	(-)	(-)	(1,283.55)
2.	Dividend paid during the year	339.06	9.16*	493.20	841.42
		(677.35)	(18.39)*	(986.40)	(1,682.14)
3.	Salary and Allowance payable as at the end of the year	1,000.00	-	-	1,000.00
		(450.00)	(-)	(-)	(450.00)

*Represents payments to Mrs. Rupal J. Shah, Mr. Manish P. Shah, Mrs. Pushpa P. Shah, Mr. Prakash B. Shah, Mrs. Bina M. Shah, Mrs. Tejal M. Shah, Mr. Mandar Neralla and Ms. Nakshi Manish Shah.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

IV Transactions with Individuals owning, directly or indirectly, an interest in the voting power that gives control or significant influence, and relatives of any such individuals (w.e.f. November 21, 2014)

(₹ lacs)

NATURE OF TRANSACTIONS	Individual Jignesh Shah	Relative	Entity over which individual can exercise significant influence- La-fin	Total
Sale of Tangible Assets	8.45	6.45#	-	14.90
Dividend	832.96	30.60*	1,233.00	2,096.56

#Represents sale to Mr. Manjay Shah

*Represents payments to Mrs. Rupal J. Shah, Mr. Manish P. Shah, Mrs. Pushpa P. Shah, Mr.Prakash B. Shah, Mrs. Bina M. Shah, Mrs. Tejal M. Shah, Mr. Manjay Shah and Ms. Nakshi Manish Shah.

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

(a) Key Managerial personnel

(₹ lacs)

TRANSACTIONS DURING THE YEAR	Key Managerial Personnel
Salary and allowances	
Jignesh Shah (upto November 20, 2014)	637.38
	(748.80)
Dewang Neralla (upto November 20, 2014)	148.16
	(236.69)
Manjay Shah (upto November 20, 2014)	180.11
	(298.06)
Prashant Desai (w.e.f. November 7, 2014)	387.27
	(-)
Jigish Sonagara (w.e.f. November 21, 2014)	185.20
	(-)
Dividend paid	
Jignesh Shah (upto November 20, 2014)	333.18
	(666.37)

(b) Party-wise details of transactions with subsidiaries, associates and a jointly controlled entity if it is in excess of 10% of the total amount of that particular type of related party transactions:

(₹ lacs)

	Subsidiaries/Associates/Jointly controlled entity										
TRANSACTIONS DURING THE YEAR	**Atom**	**Tickerplant**	**NBHC**	**NSEL**	**IBMA**	**FTCL**	**FTME**	**Apian**	**FTKMCL**	**BAL**	**FTGIPL**
Loan given	-	-	-	1,098.76	-	-	-	-	-	-	-
	(350.00)	(550.00)	(13,350.00)	(21,433.06)	(-)	(-)	(-)	(5.00)	(-)	(-)	(74,664.32)
Loan repaid / adjusted	-	1,243.62	4,500.00	-	-	-	-	-	-	-	-
	(-)	(225.00)	(8,850.00)	(-)	(-)	(-)	(-)	(1,560.00)	(-)	(-)	(27,239.90)
Converted into equity	-	-	-	-	-	-	-	-	-	-	86,407.20
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Loan Written off during the year	-	-	-	17,939.81	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Income from software products	-	-	-	-	-	-	59.38	-	-	-	-
(IPR based license)	(-)	(-)	(-)	(-)	(-)	(-)	(34.32)	(-)	(-)	(-)	(-)
Income from software services	-	-	-	-	-	-	166.62	-	-	625.55	-
(Project based)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(2,648.85)	(-)
IT-infrastructure	-	-	-	-	-	-	-	-	-	-	-
sharing income	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Sale of traded goods	-	-	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(0.53)	(-)
Business Support Services	191.57	15.00	4.12	-	-	-	-	-	-	-	-
	(240.77)	(60.00)	(60.00)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Guarantee Fees	-	-	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(534.67)
Others	-	-	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Advances received written back	-	-	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Interest Income	36.20	32.81	-	195.70	-	-	-	171.48	-	-	1,422.76
	(42.84)	(96.16)	(-)	(111.47)	(-)	(-)	(-)	(185.69)	(-)	(-)	(4,503.08)
Rental income from operating leases	93.00	150.00	10.83	-	-	-	-	-	-	-	-
	(93.00)	(150.00)	(59.33)	(-)	(-)	(-)	(-)	(-)	(59.33)	(-)	(-)
Dividend Income	-	-	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Sale of Tangible Assets	0.03	16.11	2.49	-	-	-	-	-	-	-	-
	(0.79)	(0.99)	(3.64)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Purchase of Tangible Assets	-	-	-	-	-	-	-	-	0.23	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Recoveries charged by the	82.20	141.26	12.18	18.23	-	-	-	-	-	39.55	-
company towards expenses (Refer Note 27)	(66.83)	(153.79)	(64.60)	(77.07)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Reimbursement of expenses	65.02	79.81	-	-	-	47.62	-	-	-	-	-
charged to the Company	(-)	(1.03)	(6.74)	(-)	(-)	(55.44)	(-)	(-)	(0.17)	(-)	(-)
Increase in guarantees given	-	-	-	-	-	32.51	-	-	-	-	-
	(-)	(-)	(-)	(22,500.00)	(-)	(6.75)	(-)	(-)	(-)	(-)	(-)
Decrease in guarantees given	-	-	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(23,500.00)	(-)	(-)	(-)	(-)	(-)	(-)	(68,802.46)
Investment made during the year	-	-	-	-	-	-	-	-	-	-	86,407.20
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Provision for other than temporary diminution in value of investments	-	-	-	1,500.00	-	-	-	-	-	-	65,408.15
	(-)	(-)	(-)	(4,499.99)	(-)	(-)	(-)	(-)	(-)	(-)	(6,929.37)
Provision for doubtful loans and advances	-	-	-	1,109.62	-	-	-	-	-	-	-
	(-)	(-)	(-)	(21,543.03)	(-)	(-)	(-)	(-)	(-)	(-)	(14,989.89)
Provision for doubtful trade receivables	-	-	-	11.40	-	-	-	-	-	-	-
	(-)	(-)	(-)	(21.71)	(-)	(-)	(-)	(-)	(-)	(-)	(-)

(b) Party-wise details of transactions with subsidiaries, associates and a jointly controlled entity if it is in excess of 10% of the total amount of that particular type of related party transactions:

(₹ lacs)

	Subsidiaries/Associates/Jointly controlled entity								
TRANSACTIONS DURING THE YEAR	**Bourse Africa**	**Takshashila**	**BFX**	**SMX**	**ICX**	**FTPL**	**FTSPL**	**MCX** (Transactions with MCX upto December 31, 2013)	**IEX**
Loan given	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(9,165.58)	(-)	(-)
Loan repaid / adjusted	-	-	-	-	-	-	20,823.11	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Converted into equity	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Loan Written off during the year	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Income from software products	-	-	-	-	-	-	-	-	-
(IPR based license)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(40.83)	(-)
Income from software services	-	-	-	-	-	-	-	-	214.60
(Project based)	(-)	(-)	(2,530.67)	(1,711.82)	(-)	(-)	(-)	(5,473.89)	(1,917.59)
IT-infrastructure	-	-	-	-	-	-	-	-	-
sharing income	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(566.69)	(-)
Sale of traded goods	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Business Support Services	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(175.00)	(-)
Guarantee Fees	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Others	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(16.03)	(-)
Advances received written back	12,840.93	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Interest Income	-	-	-	-	-	-	578.36	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(1,048.58)	(-)	(-)
Rental income from operating leases	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Dividend Income	-	-	-	-	-	-	12,322.70	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(2,519.32)	(274.21)
Sale of Tangible Assets	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Purchase of Tangible Assets	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(88.41)	(-)
Recoveries charged by the	-	-	-	-	-	-	-	-	-
company towards expenses (Refer Note 27)	(-)	(-)	(-)	(-)	(-)	(-)	(181.18)	(171.73)	(-)
Reimbursement of expenses	-	-	-	-	-	-	-	-	-
charged to the Company	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(4.82)	(0.30)
Increase in guarantees given	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Decrease in guarantees given	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Investment made during the year	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(500.00)	(-)	(-)	(-)
Provision for other than temporary diminution in value of investments	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Provision for doubtful loans and advances	-	-	-	-	156.48	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Provision for doubtful trade receivables			-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)

*Includes payment to Mr. Manjay Shah, brother of Mr. Jignesh Shah, ₹ 79.58 lacs (Previous Year Nil) towards remuneration as director of a subsidiary company.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

38 SEGMENT REPORTING:

The Company 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 Company.

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. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

a) Primary segment: Business segment

(₹ lacs)

PARTICULARS	Current Year			Previous Year		
	STP Technologies/ Solutions	Others	Total	STP Technologies/ Solutions	Others	Total
Segment revenue (External)	13,799.11	2,304.00	16,103.11	29,623.76	3,847.73	33,471.49
Net Sales/ Income from operations	13,799.11	2,304.00	16,103.11	29,623.76	3,847.73	33,471.49
Segment result	4,521.02	1,013.33	5,534.35	19,945.02	1,964.50	21,909.52
Add : Unallocable income			36,961.74			20,207.94
Less: Unallocable expenses			18,663.76			23,383.30
Less: Finance costs			2,266.12			3,053.82
Add : Interest Income			5,157.98			7,436.37
Profit / (Loss) before tax and exceptional item			26,724.21			23,116.71
Less: Exceptional Item			24,282.09			(41,152.11)
Profit / (Loss) before tax			51,006.30			(18,035.40)
Less : Provision for taxation			6,492.42			4,819.45
Profit / (Loss) after tax			44,513.88			(22,854.85)
Depreciation		430.75			325.74	
Non-cash expenses -						
Provision for doubtful trade receivables				62.81		

Notes:

1. 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.
2. The reportable segments are described as follows :
   a) STP Technologies/solutions segment represents straight through processing solutions and includes an integrated mix of various products, projects and services incidental thereto.
   b) The businesses, which are not reportable segments during the year, have been grouped under the "Others" segment. This mainly represents trading activities, process management services, risk consultancy activities, shared business support services and IT infrastructure sharing.

b) Secondary Segment: Geographical segments:

The Company 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	14,969.35	25,641.24
Outside India	1,133.76	7,830.25
Total	**16,103.11**	33,471.49

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

39 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 31.03.2015	Balance as on 31.03.2014	Maximum amount outstanding during the year
National Bulk Handling Corporation Ltd.	Subsidiary (Subsidiary upto April 25, 2014)	-	4,599.48	4,599.48 (10,200.45)
National Spot Exchange Ltd.	Subsidiary	4,719.84	21,543.04	24,616.93 (22,592.70)
TickerPlant Ltd.	Subsidiary	16.06	1,313.64	1,617.55 (1,375.10)
atom Technologies Ltd.	Subsidiary	20.70	633.43	2,009.70 (660.99)
Financial Technologies Communications Ltd.	Subsidiary	-	2.25	8.85 (9.57)
FT Group Investments Pvt. Ltd.	Subsidiary	2,778.50	87,781.38	87,781.41 (133,942.29)
FT Knowledge Management Company Ltd.	Subsidiary	-	9.88	9.88 (14.94)
Trans-Global Credit & Finance Ltd.	Subsidiary (Subsidiary upto August 19, 2014)	-	1.51	1.52 (1.58)
Apian Finance & Investment Ltd	Subsidiary	1,957.64	1,958.55	2,059.18 (3,475.52)
Credit Market Services Ltd	Subsidiary	22.09	19.38	22.14 (20.61)
Takshashila Academia of Economic Research Ltd.	Subsidiary (Subsidiary upto September 15, 2014)	-	140.22	332.00 (140.41)
Bourse Africa Ltd.	Step down Subsidiary	13.87	58.09	71.37 (58.09)
Bourse Africa (Botswana) Ltd.	Step down Subsidiary	-	16.50	16.73 (22.17)
IBS Forex Ltd.	Subsidiary	0.58	0.78	2.54 (0.79)
ICX Platform (PTY) Ltd.	Subsidiary	230.51	215.27	221.45 (409.52)
Indian Bullion Market Association Ltd	Step down Subsidiary	3.79	3.79	3.79 (13.39)
Financial Technologies Singapore Pte Ltd.	Subsidiary	-	20,931.85	20,052.78 (20,931.85)
FT Projects Limited	Subsidiary	0.03	-	0.03 (-)
Bahrain Financial Exchange (BSC)	Step down Subsidiary	-	1.41	1.41 (11.00)
Indian Energy Exchange Ltd.	Associate (upto May 13, 2014)	-	2.16	9.68 (4.26)
Multi Commodity Exchange of India Ltd	Associate (upto December 25, 2013)	-	22.70	- (51.00)
MCX SX Clearing Corporation Ltd.	Associate (upto March 18, 2014)	-	0.68	- (2.38)
Total		**9,763.61**	139,255.99	

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) Figures disclosed above are without reducing amount of provision made for doubtful loans and advances.

v) Figures in respect of maximum amount outstanding during the Previous Year are given in brackets.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

40 STOCK BASED COMPENSATION

a) During the financial year 2011-12, Remuneration and Compensation Committee of the Company had granted 900,000 Stock 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 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 September 25, 2009 & September 29, 2010 respectively.

During the financial year 2012-13, Remuneration and Compensation 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 1,86,630 Stock Options under the Employee Stock Option Schemes of which 74,350 options are granted under scheme-2009 and 1,12,280 options under scheme-2010 at a price of ₹ 807.70 to the eligible employees / Directors of the Company 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	March 05, 2013	74,350	807.70	05.03.2013-04.03.2014
(reissue of lapsed / cancelled options)			807.70	05.03.2013-04.03.2015
			807.70	05.03.2013-04.03.2016
ESOP 2010	March 05, 2013	112,280	807.70	05.03.2013-04.03.2014
(reissue of lapsed / cancelled options)			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 was 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 were to be exercised within three months from vesting of options or as may be determined by the Remuneration and Compensation Committee. During the year, Remuneration and Compensation Committee of the Company has approved the modification of exercise period of 3 months from date of vest to three years from the date of vest (hereinafter referred as Modification 1). As approved by the Shareholders at the Annual General Meetings of the Company held on September 23, 2014, the Remuneration and Compensation Committee of the Company at their meeting held on October 01, 2014 has approved the modification of exercise price from ₹ 770.00 to ₹ 167.00 for grant dated March 14, 2012 and from ₹ 807.70 to ₹ 167.00 for grant dated March 05, 2013 (hereinafter referred as Modification 2). 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	614,495	603,406
	(892,500)	(880,955)
Options granted during the year	-	-
	(-)	(-)
Options exercised during the year	-	-
	(-)	(-)
Options lapsed / forfeited / cancelled during the year	70,485	107,713
	(278,005)	(277,549)
Options outstanding as at the year-end	544,010	495,693
	(614,495)	(603,406)
Options exercisable as at the year-end	512,907	464,546
	(219,261)	(209,611)

b) The Company is following the intrinsic value-based method of accounting for stock option and accordingly has recognised ₹ 574.00 as expenses on employee stock option (ESOP) schemes in the Statement of Profit & Loss.

Had the compensation cost of the Company's stock based compensation plans been determined as per fair value approach using Black & Scholes model :

(a) the incremental cost, in addition to the amount based on the grant date fair value of the stock options, for the year due to:
  (i) Modification 1 would have been ₹ 2,671.73 lacs.
  (ii) Modification 2 would have been ₹ 774.54 lacs.

(b) the Company's net profit for the year would have been lower by ₹ 3,168.74 lacs (Previous Year net loss would have been higher by ₹ 303.33 lacs).

(c) earnings per share for the year would have been lower and earnings (i.e. loss) per share for the previous year would have been higher as indicated below:

(₹ lacs)

PARTICULARS			Current Year	Previous Year
Net profit / (loss) for the year (₹ lacs)			44,513.88	(22,854.85)
Less: Total stock-based employee compensation expense determined under fair value based method			3,168.74	303.33
Adjusted net profit for basic & diluted EPS			41,345.14	(23,158.18)
Weighted average no. of shares :				
Basic			46,078,537	46,078,537
Add: Effect of dilutive stock options			146,267	-
Diluted			46,224,804	46,078,537
Basic and diluted earnings per share (face value ₹ 2 /- per share)				
- As reported (in ₹)	:	Basic	96.60	(49.60)
	:	Diluted	96.30	(49.60)
- As adjusted (in ₹)	:	Basic	89.73	(50.26)
	:	Diluted	89.44	(50.26)

The details of pre modification and post modification values in respect of Modification 1 and Modification 2 are given below:

(₹ per option)

SCHEME NAME	Grant Date	Fair value on date of grant	Fair value pre- Modification 1	Fair value post- Modification 1	Incremental value due to Modification 1	Fair value pre- Modification 2	Fair value post- Modification 2	Incremental value due to Modification 2	Total incremental value
ESOP 2009 & ESOP 2010	14/03/2012	249.05	(136.64)	80.45	217.09	47.72	109.41	61.69	278.78
ESOP 2009 & ESOP 2010	05/03/2013	238.67	(51.43)	104.27	155.70	62.12	139.71	77.59	233.29

Following parameters have been considered for calculating the weighted average fair value of each option using the Black-Scholes Option Pricing Formula:

(a) On the date of grant during F.Y. 2011-12 and reissue during F.Y. 2012-13

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%

The weighted average fair value of each option on the date of grant / reissue is ₹ 249.05 / ₹ 238.67 respectively for options granted in F.Y. 2011-12 and F.Y.2012-13 respectively.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(b) On the date of Modification 1

PARTICULARS	ESOP 2009 & ESOP 2010	
	Options granted during F.Y. 2011-12	**Options granted during F.Y. 2012-13**
(i) Expected volatility	99.32% to 123.68%	85.92% to 124.01%
(ii) Option life	1.30 years to 2.10 years	1.29 years to 3.08 years
(iii) Dividend yield	1.03%	1.03%
(iv) Risk-free interest rate	8.76%	8.76% to 8.77%

(c) On the date of Modification 2

PARTICULARS	ESOP 2009 & ESOP 2010	
	Options granted during F.Y. 2011-12	**Options granted during F.Y. 2012-13**
(i) Expected volatility	103.61% to 127.97%	88.00% to 128.51%
(ii) Option life	1.23 years to 1.95 years	1.21 years to 2.93 years
(iii) Dividend yield	1.03%	1.03%
(iv) Risk-free interest rate	8.69% to 8.71%	8.67% to 8.71%

(d) To allow for the effects of early exercise, it is assumed that the employees would exercise the options after vesting date.

(e) 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.

41 EMPLOYEE BENEFIT PLANS:

Defined contribution plans: The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contributions plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company has recognised following amounts as contributions in the statement of profit and loss as part of contribution to provident fund and other funds in Note 24 Employee benefits expenses.

Contribution to PF : ₹ 287.72 lacs (Previous Year ₹ 285.01 lacs)

Contribution to ESIC : ₹ 1.91 lacs (Previous Year ₹ 3.29 lacs)

Post employment defined benefit plans:

Gratuity Plan (Included as part of contribution to provident fund and other funds in Note 24 Employee benefits expense): 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 funded status of the gratuity plan and amount recognised in the financial statements.

(₹ lacs)

PARTICULARS	Current Year	Previous Year
I. Change in defined benefit obligation during the year:		
Present Value of defined benefit obligation at the beginning of the year	1,084.61	1,162.41
Interest Cost	100.98	92.96
Current Service Cost	143.39	171.90
Benefits Paid	(327.09)	(135.56)
Actuarial (gain) / loss on obligations	235.77	(202.01)
Obligation transferred	(19.21)	(5.09)
Present Value of defined benefit obligation at the end of the year	**1,218.45**	1,084.61
II. Change in fair value of plan assets during the year:		
Fair Value of the plan asset at the beginning of the year	897.44	841.12
Expected return on plan assets	83.55	73.14
Contributions	311.35	129.09
Benefits paid	(327.09)	(135.56)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

PARTICULARS	Current Year	Previous Year
Obligation transferred	(19.21)	(5.09)
Actuarial gain/ (loss) on plan assets	(18.61)	(5.26)
Fair value of plan assets at the end of the year	**927.44**	897.44
Excess of obligation over plan assets	**(291.01)**	(187.17)
III. Components of employer's expense		
Current service cost	143.39	171.90
Interest cost	100.98	92.96
Expected return on plan assets	(83.55)	(73.14)
Net actuarial (gain) / loss recognized	254.39	(196.75)
Total expense / (credit) recognised in the Statement of Profit and Loss	**415.20**	(5.03)
IV. Actual return on plan assets	**64.94**	67.88
V. Composition of Plan Assets as at the end of the year		
Insurer Managed Funds	927.44	897.44
Fund is managed by LIC of India as per IRDA guidelines, category wise composition of planned asset is not available		
TOTAL	**927.44**	897.44
VI. Actuarial assumptions		
Discount rate	7.96%	9.31%
Salary escalation rate	7.50%	7.50%
Expected rate of return on plan assets	7.96%	9.31%
Attrition rate	For service 4 yrs & Below 6.00% p.a. & 2% p.a. thereafter	For service 4 yrs & Below 6.00% p.a. & 2% p.a. thereafter
Mortality rates	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

VII. Experience adjustments	**2015**	**2014**	**2013**	**2012**	**2011**
Defined benefit obligation	1,218.45	1,084.61	1,162.41	947.81	775.73
Fair value of planned assets	927.44	897.44	841.12	721.41	593.88
Funded Status - Deficit	291.01	187.17	321.29	226.40	181.85
Experience adjustment on plan liabilities [(Gain)/Loss]	15.30	(51.87)	22.61	71.26	68.23
Experience adjustment on plan assets [Gain/(Loss)]	(18.61)	(5.26)	0.93	5.17	6.01

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

The Company expects to contribute ₹ 334.11 lacs (Previous Year ₹ 330.56 lacs) to the plan assets in the immediate next year.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

42 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 : 12.95% (Previous Year upto July 30, 2013 18.58%, w.e.f. July 31, 2013 12.95%)

b The Company's share of interest in the assets, liabilities, income, expenses, contingent liabilities and capital and other commitments with respect to JCE as at and for the year ended March 31, 2015 based on unaudited financial statements of JCE:

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	1,118.44
	(1,057.02)
2. Current Investments	1,545.57
	(-)
3. Current Assets	
a) Trade receivables	137.49
	(99.12)
b) Cash and cash equivalents	7,988.03
	(7,745.21)
c) Short term loans and advances	35.22
	(29.52)
d) Other Current Assets	-
	(38.90)
Assets	**10,824.75**
	(8,969.77)
II. Liabilities	
1. Short-term borrowings	251.27
	(-)
2. Trade payables	181.73
	(202.59)
3. Other Current Liabilities	9,434.88
	(7,336.08)
4. Provisions	283.34
	(214.23)
Liabilities	**10,151.22**
	(7,752.90)
III. Income	
1. Admission Fees	113.41
	(72.83)
2. Transaction Fees	548.34
	(717.04)
3. Interest Income	139.80
	(108.67)
4. Other Income	37.49
	(28.53)
Income	**839.04**
	(927.08)
IV. Expenses	
1. Employee benefits expense	564.09
	(540.68)
2. Finance cost	2.88
	(-)
3. Other expenses	697.68
	(691.02)
4. Depreciation and amortisation expenses	161.23
	(128.91)
Expenses	**1,425.88**
	(1,360.61)

Previous year figures are given in brackets.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

43 AMOUNTS REMITTED IN FOREIGN CURRENCY DURING THE YEAR 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 2014-15			
2014-15 (1st Interim Dividend)	804	8,902,244	178.04
2014-15 (2nd Interim Dividend)	846	7,959,111	397.96
2014-15 (3rd Interim Dividend)	817	7,933,461	396.67
2013-14 (Final Dividend)	833	8,943,494	178.87
Dividends paid during 2013-14			
2013-14 (1st Interim Dividend)	887	9,513,366	190.27
2013-14 (2nd Interim Dividend)	870	8,948,625	178.97
2013-14 (3rd Interim Dividend)	802	9,306,760	186.14
2012-13 (Final Dividend)	916	8,898,984	177.98

44 With effect from January 1, 2014, the Company has revised the estimated useful life of certain fixed assets as stated in Note 2(F). As a result, the depreciation expense and loss before tax for the previous year were both higher by ₹ 556.07 lacs.

45 During the Previous Year, the Company had received an order dated December 17, 2013 passed by the Forward Markets Commission (FMC) holding the Company not a fit and proper person to continue to be a shareholder of 2% or more of the paid up equity capital of Multi-Commodity Exchange of India Ltd. (MCX). Further, FMC has issued revised norms regarding Shareholding, Ownership, Net worth, Fit and Proper Criteria, etc. on May 6, 2014 and has, inter alia, provided that no person shall, directly or indirectly, acquire or hold equity shares of a commodity exchange unless he is fit and proper person and in the event of any person ceasing to be a 'fit and proper person' or being declared so by the Commission, such person shall forthwith divest his shareholding.

The Company has challenged the Order dated December 17, 2013 passed by the Forward Markets Commission (FMC) holding the Company not a fit and proper person to continue to be a shareholder of Multi-Commodity Exchange of India Ltd (MCX) by way of a Writ Petition before the Hon'ble Bombay High Court. On February 28, 2014, prayer for ad-interim relief was rejected by Hon'ble High Court but was pleased to admit the said Writ Petition. On November 17, 2014, the Hon'ble Bombay High Court rejected Notice of Motion filed by the Company due to change in circumstances for seeking stay on the FMC order. The Company filed SLP on November 27, 2014 before Hon'ble Supreme Court against order dated February 28, 2014 and November 17, 2014. On February 6, 2015 the Company withdrew the SLP. The Writ Petition is pending for hearing before the Hon'ble Bombay High Court. Without prejudice to legal rights available within the law, the Company has divested its stake in MCX during the year and consequent profit of ₹ 85,262.70 lacs (Net of attributable expenses of ₹ 2,722.02 lacs) is grouped under 'Net gain on sale of Current Investments in Exceptional items (Refer Note 28). The Company's shareholding in MCX has become 'NIL'.

46 During the Previous Year, SEBI has passed an Order on March 19, 2014 declaring the Company not a 'Fit and Proper' person and directed the Company to divest the equity shares or any instrument that provides for rights over the equity shares held by the Company in MCX-SX, MCX-SX Clearing Corporation Limited (MCX-SX CCL), Delhi Stock Exchange Ltd (DSE), the Vadodara Stock Exchange Limited (VSE) and National Stock Exchange of India Limited (NSEIL). The Company had filed an appeal in the Security Appellate Tribunal (SAT) against the said order which was rejected by SAT. The Company has filed Civil Appeal before Hon'ble Supreme Court challenging the SEBI Order and SAT Order. The Hon'ble Supreme Court admitted the Civil Appeal and Civil Appeal is pending for hearing. Without prejudice to the legal rights and remedies available under the law, the Company entered into Share and Warrant Purchase Agreements (SWPA)/ Warrant Purchase Agreements (WPA) with certain investors for sale of its 100% stake in MCX Stock Exchange Ltd (MCX-SX) and resultant profit of ₹ 1,282.46 lacs (net of attributable expense of ₹ 1,665.66 lacs) is grouped under 'Net gain on sale of Current Investments in Exceptional items (Refer Note 28). The Company's shareholding in MCX-SX has become 'NIL'. In meanwhile, the Company has filed an appeal before the SAT against the Securities and Exchange Board of India (SEBI) order for rejecting Company's request for extension for divestment in recognized stock exchanges. The said appeal is pending before SAT for hearing. The investment in the aforesaid entities are continued to be classified as current investment at the lower of cost and fair value. MCX-SX CCL is not considered as an associate company from the date of order i.e. March 19, 2014. According to the Management's view, on the basis of the information available including latest financial statements/ results and/or latest transactions carried out, the fair value of above investments exceeds the cost of the investments. In case of investments where the book value is less than the investment amount, the Company has made appropriate provision for the same.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

47 As per the Regulatory requirement under Central Electricity Regulatory Commission (Power Market) (CERC) Regulations 2010, the Company had to reduce its holding in an associate company viz. Indian Energy Exchange Limited (IEX) to 25%. Accordingly, during the Previous Year, the Company had divested part of its investments aggregating 1,364,787 equity shares of ₹ 10 each in IEX. The resulting profit of ₹ 6,989.14 lacs (net of directly attributable expenses of ₹ 164.05 lacs) is regrouped under 'Net gain on sale of Current Investments' in Exceptional items (Refer Note 28).

Subsequently, during the year , the Company received communication from IEX vide its letter dated May 19, 2014 informing that CERC vide their order dated May 13, 2014 stated that the Company cannot be considered as fit and proper person to hold the shares in power exchanges in view of FMC Order & SEBI Order and inter alia directed IEX a) to ensure that the Company divests its entire shareholding from IEX by September 30, 2014, b) pending divestment of shares, the voting rights of the Company shall stand extinguished and any corporate benefit in lieu of such shareholding shall be kept in abeyance or withheld by the exchange and c) IEX shall ensure that no nominee of the Company is represented in the Board of IEX. The above directions of CERC were binding with immediate effect. The Company had challenged the said CERC Order before Appellate Tribunal for Electricity. The Appellate Tribunal has dismissed the appeal filed by the Company on February 4, 2015. On April 17, 2015 the Ld. Central Commission passed an order in Suo-Motu Petition No. SM/341/2013 inter alia directing the Company to complete divestment of its shareholding in IEX by May 9, 2015. The Company filed Civil Appeal before Hon'ble Supreme Court challenging the CERC Order, Appellate Tribunal Order and Order dated April 17, 2015 which is pending for hearing. On May 8, 2015, the Hon'ble Supreme Court has issued notice in both the matters. Further, on May 19, 2015, Appellate Tribunal has granted time till June 18, 2015 for completing the divestment in IEX based on the application filled by the Company. IEX is not considered as an associate company from the date of order i.e. May 13, 2014.

Without prejudice to the legal rights and remedies available under the law, during financial year, the Company has entered into Share Purchase Agreement (SPA) with certain Investors for sale of entire 25.64% equity stake on a fully diluted basis in Indian Energy Exchange Ltd (IEX). The said transaction is subject to fulfillment of certain condition precedents. Post completion of the above said transaction, the Company's shareholding in IEX will become 'NIL".

48 During the Previous Year, the Company along with other shareholders entered into a share purchase agreement for sale of 100% equity shares of National Bulk Handling Corporation Limited (NBHC) to IVF Trustee Company Limited, which sale transaction was completed during the year and the resultant profit of ₹ 12,252.34 lacs (net of attributable expense of ₹ 2,491.80 lacs) is grouped under 'Net gain on sale of Current Investments in Exceptional items (Refer Note 28).

49 The Company received letter from Financial Services Commission (FSC) in May, 2014 informing that FSC does not consider the Company as fit & proper, pursuant to Section 23(3) of the Financial Services Act, 2007 of Mauritius and directed the Company to dispose of its shareholding in Bourse Africa Limited, Mauritius ("BAL"). During the year, the Board of FT Group Investments Pvt, Ltd. Mauritius., ("FTGIPL"), a wholly owned subsidiary of the Company has entered into Share Purchase Agreement (SPA) for sale of 100% of its stake in Bourse Africa Limited, Mauritius (together with its wholly owned subsidiary Bourse Africa Clear Ltd.) to Continental Africa Holdings Limited (CAHL), Mauritius subject to certain conditions precedents including regulatory approvals. The shareholders of FTIL with 99.975% majority approved the said transaction on February 20, 2015.

50 During the previous year, Financial Technologies Singapore Pte. Ltd (FTSPL), a wholly-owned subsidiary of the Company, sold 100% of FTSPL's equity ownership in its wholly owned subsidiaries, Singapore Mercantile Exchange Pte. Ltd. (SMX) and Singapore Mercantile Exchange Clearing Corporation Pte. Ltd. (SMXCC) to ICE Singapore Holdings Pte. Ltd, an entity owned by Intercontinental Exchange Group, Inc. (ICE).

51 As at March 31, 2015, the Company's investment in certain subsidiaries and a jointly controlled entity aggregating ₹ 84,069.44 lacs (Previous Year ₹ 12,590.95 lacs) and loans and advances / recoverables from these entities aggregating ₹3,321.18 lacs (Previous Year ₹ 90,758.89 lacs) (excluding NSEL and its subsidiaries) which presently have accumulated losses, [share of aggregate losses till March 31, 2015 ₹ 106,979.33 lacs (Previous year ₹ 112,881.99 lacs)].

During the year, FTGIPL a wholly owned subsidiary of the Company has carried out capital reduction of USD 35.0 million out of its accumulated losses and reduced its stated capital. Consequently the Company's investment in the subsidiary is reduced by ₹ 20,999.05 lacs which is shown in Exceptional items (Refer Note 28). On a conservative basis the Company has made an additional provision of ₹ 65,726.76 lacs (Previous Year ₹ 6,944.45 lacs) towards provision for other than temporary diminution in the value of long term investments including provision (write down) in value of investments of ₹ Nil (Previous Year ₹ 15.00 lacs) in respect of investments reclassified during the previous year from long-term (non-current) to current investments, and ₹ 159.57 lacs (Previous Year ₹ 15,150.00 lacs) towards doubtful loans and advances. Accordingly, total provision of ₹ 74,393.47 lacs (Previous Year ₹ 8,681.71 lacs) for other than temporary diminution in the value of long term investments excluding NSEL and provision of ₹ 178.57 lacs (Previous Year ₹ 15,150.00 lacs) for doubtful loans and advances excluding NSEL as at the year ended on March 31, 2015 is considered to be adequate for these investments and loans and advances / receivables.

52 In view of the developments in respect of its subsidiary NSEL, during the Previous year, on conservative basis, then the Company had made a provision towards diminution other than temporary in value of long term investments of ₹ 4,499.99 lacs for its investment in NSEL. In order to meet the working capital requirements of NSEL, the Company has subscribed to the right issue made by NSEL to the extent of ₹ 1,500.00 lacs. On conservative basis, the Company has made a provision towards diminution other than temporary in value of long term investments of the same (Refer Note No. 28).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

53 During the previous year, to protect the interest of the large number of small clients of the trading members of the NSEL who had to receive money from its defaulting members, NSEL had requested the Company to give a bridge loan, which request was accepted by the Company's Board of Directors as a goodwill gesture without admitting any liability on behalf of NSEL and a onetime bridge loan amounting to ₹ 17,939.81 lacs was given which NSEL will have to repay to the Company from the receipt of the amounts from defaulting members after paying to all the investors. The ongoing recovery process by NSEL from its defaulting members seems long drawn process as major amounts are in litigation. In view of the current status of recovery in NSEL, possibility of recovery of the said loan amount from NSEL seems very remote and difficult. Hence the Company has written off the said bridge loan of ₹ 17,939.81 lacs, without prejudice to its right to recover the loan and interest amount from NSEL in future, for which the provision was made during the Previous Year (Refer Note No. 28).

Further during the previous year, the Company had provided corporate guarantee of ₹ 22,500.00 lacs on behalf of NSEL for availing banking facility in relation to procurement of cotton on behalf of National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED). In view of the developments at NSEL, the bank recalled the credit facility granted to NSEL and invoked the guarantee to the extent of outstanding balance of ₹ 3,143.25 lacs including interest thereon and debited the said amount from the Company's bank account and, accordingly, the Company has debited the same to NSEL's account as loan. Recovery of the said loan amount is dependent on the recovery by NSEL from NAFED. On conservative basis the Company had made provision of the said amount during the previous year.

Further, during the year, an additional loan of ₹ 1,098.76 lacs (Previous Year ₹ 350.00 Lacs) has been provided to NSEL for its working capital. On conservative basis, the Company has made provision of additional loan given ₹ 1,098.76 lacs (Previous Year ₹ 350.00 lacs).

54 During the year the Company has raised invoices / debit notes for income from rent, interest and reimbursement of expenses. In view of the developments at NSEL, the Company is unable to assess the ultimate collection with reasonable certainty, and on a prudent basis, the Company, to the extent of uncertainty involved, during the year the Company derecognised interest income of ₹ 1,761.29 lacs (Previous Year ₹ 1,003.22 lacs) and rent income ₹ 24.00 lacs (Previous Year ₹ 164.63 lacs). The additional amount receivable from NSEL towards taxes as applicable and reimbursement of expenses is ₹ 22.26 lacs (Previous Year ₹ 131.68 lacs) for which, on conservative basis, the Company has made further provision of ₹ 22.26 lacs (Previous Year ₹ 131.68 lacs) during the year ended March 31, 2015

55 The Company has received Draft Order of amalgamation of National Spot Exchange Limited (NSEL) with the Company under Section 396 (1) of the Companies Act, 1956 from Ministry of Corporate Affairs (MCA) on October 21, 2014. The Company has filed a Writ Petition before the Hon'ble Bombay High Court, interalia challenging the draft Order issued by the Ministry of Corporate Affairs, dated October 21, 2014, for proposed forced amalgamation of National Spot Exchange Limited with the Company. The Hon'ble High Court, Bombay, granted status quo in the said matter till February 4, 2015. On February 4, 2015, the Hon'ble High Court passed order inter alia stating that:

a) the Company and other parties mentioned in the Order may file their objections within 30 days and within 4 weeks thereafter Central Govt. may pass appropriate order after giving brief hearing to all the interested parties.

b) it is further clarified that if any adverse order is passed by the Central Govt, then same shall not be notified for a period of two weeks after the order is communicated to the Company

c) the Central Govt may give brief hearing to the parties mentioned in Section 396 of the Companies Act 1956.

d) in view of the above, the order of the status quo passed by the Hon'ble High Court on November 27, 2014 is vacated.

e) notice of Motion by the Union of India and others is accordingly disposed off

f) liberty is given to the parties to apply for a fixed date of hearing.

As per the above Order, the Company filed its objection with MCA. In meanwhile, MCA has filed Chamber Summons in March 2015 seeking extension of time granted to the Central Government for considering 19,000 suggestions and objections received and to pass order thereto and to complete the procedure as contemplated u/s 396 of the Companies Act, 1956 till July 31, 2015. The Hon'ble Bombay High Court has allowed said Chamber Summons filed by MCA.

56 The Union of India, Ministry of Corporate Affairs ("MCA"), has filed the Company Petition under Sections 397 and 398 read with Sections 388B, 388C, 401, 402, 403, 406 and 408 of the Companies Act, 1956 (the "Act") before the Principal Bench of the Company Law Board at New Delhi (the "CLB"). The Petition has been filed inter alia seeking removal and supersession of the Board of Directors of FTIL. The Company appeared before CLB protesting the action initiated by MCA. The matter is pending before CLB for consideration. No notice has yet been issued in the matter.

57 a) During the Previous Year, Writ Petitions (WP), Public Interest Litigation (PIL), Civil Suits have been filed against the Company in relation to NSEL event, wherein the Company has been made a party in the Civil Suits and the WP. In the said proceedings certain reliefs have been claimed against the Company, inter alia, on the ground that the Company is the holding company of NSEL. These matters are pending before the Hon'ble Bombay High Court for adjudication. The Company has denied all the claims and contentions in its reply. There is no privity of contract between the Company and the Petitioners. Based on legal advice, the management is of the view that the parties who have filed the WP, PIL and Civil Suits would not be able to sustain any claim against the Company. The matter is pending for hearing before the Hon'ble Bombay High Court.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

b) First Information Report (FIR) has been registered against various parties, including the Company, with the Economic Offences Wing of the Mumbai Police (EOW) and Central Bureau of Investigation (CBI) in connection with the NSEL event. After investigation, EOW has filed charge-sheet on January 06, 2014, June 04, 2014 and August 04, 2014. It is pertinent to note that the Company has not been named in the said charge-sheets. EOW investigation is in progress.

58 During the year, the Company received letter from the Registrar of Companies, Chennai (ROC), Ministry of Corporate Affairs ("MCA") regarding a notice for inspection under section 209A of the Companies Act, 1956 ("Companies Act") and technical scrutiny of the Company's balance sheet FY12-13 and explanation sought under section 234(1) of Companies Act. The inspection conducted by Dy. ROC and Company submitted requested information to MCA. After inspection, RoC issued show cause notices to the Company stating that the Company contravened certain compliance stipulated under the Indian Companies Act, 1956. The Company has replied to the said show cause notices from RoC.

59 An FIR has been registered with the M.I.D.C Police station, District: Mumbai against the Company and others on the basis of complaint filed by one Mr. Ketan Shah on the basis of a report dated April 21, 2014 of PricewaterhouseCoopers Private Limited (PwC), uploaded by Multi Commodity Exchange of India Ltd (MCX) on the website of BSE Ltd on May 26, 2014, purported to be a "Special Audit Report" on MCX at the direction of Forward Market Commission. The matter is under investigation by the police.

The Company believes that the said FIR is misguided and misconceived based on information in PwC Report as the report is not an audit report since PwC being Private Ltd Company is not an audit firm but provides advisory services. The alleged report was prepared by PwC based on a limited one-sided information without verifying the authenticity of the data, without following the procedure in accordance with generally accepted auditing standards or attestation standards and without taking any responsibility towards any person who acts in reliance of the contents of the Report. The Company is exploring appropriate legal options regarding the said FIR.

60 On February 28, 2015, the Chief Investigating Officer of the SIT, Economic Offences Wing, CB, CID, Mumbai ("EOW") issued a letter directing FTIL, inter alia, and "not to dispose of, alienate, encumber, part with possession of, or create any third party right, title, and/or interest in, to, upon or in respect of any of assets of FTIL, its subsidiaries, and its step down subsidiaries except for the payment of statutory dues, amounts for the preservation, maintenance and protection of their assets and wages and salaries under intimation to the Investigating agency and in the case of immovable properties, without the orders of the trial Court". The Company is seeking legal advice on the aforesaid letter from EOW.

61 The Company has a total MAT credit entitlement of ₹ 19,270.02 lacs as at March 31, 2015 including recognition of ₹ 10,081.20 lacs during the year ended March 31, 2015. The management of the Company is confident that the Company will be able to utilize unexpired MAT entitlement in future projected years.

62 As per Section 135 of the Companies Act 2013, a Corporate Social Responsibility (CSR) Committee has been formed by the Company. The earmarked funds were transferred to a separate bank account and the same shall be utilized on activities which are specified in Schedule VII of the Companies Act, 2013.

63 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

Venkat R Chary
Chairman
DIN - 00273036

Prashant Desai
Managing Director & Chief Executive Officer
DIN- 01578418

Hariraj Chouhan
Vice President
& Company Secretary

Devendra Agrawal
Chief Financial Officer

Place : Mumbai
Date : May 22, 2015

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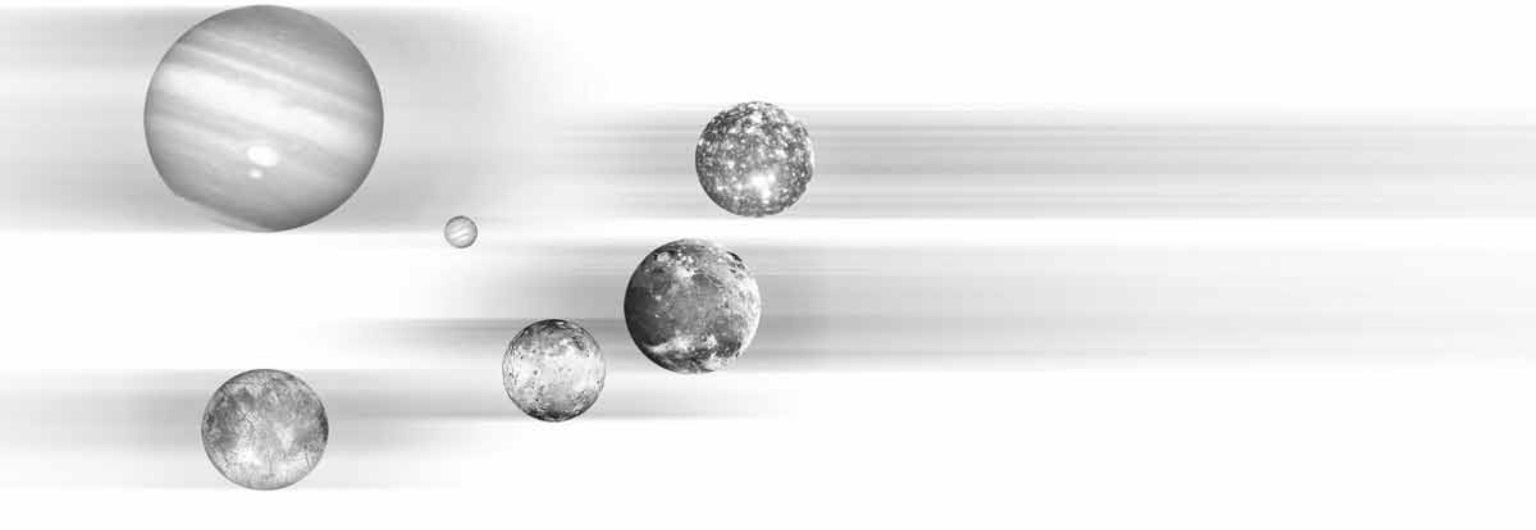
Financials
Consolidated



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF FINANCIAL TECHNOLOGIES (INDIA) LIMITED

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of **Financial Technologies (India) Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries, associates and jointly controlled entities ('the FTIL Group') which comprise the consolidated balance sheet as at March 31, 2015, the consolidated statement of profit and loss, the consolidated cash flow statement for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statement").

Management's responsibility for the consolidated financial statements

The Holding Company's board of directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ('the Act') with respect to 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 FTIL Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. The respective board of directors of the companies included in the FTIL Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the FTIL Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the Holding Company, as aforesaid.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 the 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 financial control relevant to the Holding Company's preparation 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 whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's board of directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in other matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

1. *As stated by the Management of the Holding Company in Note 53 to the consolidated financial Statement, Writ Petitions (WP), Public Interest Litigation (PIL), Civil Suits have been filed against the Holding Company in relation to NSEL event, wherein the Holding Company has been made a party in the WP and Civil Suits. These matters are pending at various stages of adjudication. As stated in the said note, based on legal advice, the management of the Holding Company does not foresee that the parties who have filed the WP, PIL, Civil Suits would be able to sustain any claim against the Holding Company. In addition, as stated by the management in note 53 and 56 to the consolidated financial Statement, there are First Information Reports registered against various parties including the Holding Company with the Economic Offences Wing of the Mumbai Police (EOW), Central Bureau of Investigation (CBI) and MIDC, Police Station, Mumbai District.*

   In this regard, the Management and those charged with Governance have represented to us that other than as stated in the said note to the Statement, there are no claims, litigations, potential settlements involving the Holding Company directly or indirectly which require adjustments to/disclosures in the Statement.

   In the light of the above representations regarding the ongoing investigations and matters, the outcome of which is not known and is uncertain at this stage, we are unable to comment on the consequential impact in respect of the same on the results for the quarter and year ended March 31, 2015.

2. We reproduce hereunder the 'Basis for Qualified Opinion' issued by the independent auditor(s) of a subsidiary viz. National Spot Exchange Limited ('NSEL') vide their audit report on the consolidated financial statements of NSEL, which also forms the basis for qualified opinion in our audit report on the accompanying Statement of the FTIL Group:

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a) *"As stated in note no. 53 of the Consolidated Financial Statements pertaining to the issue of warehousing receipts and as per the explanations given by the Management, investigating agencies are investigating genuineness of the warehouse receipt issued by the Company. Its impact on financial statements, if any, can be ascertained only after investigations are concluded and order obtained from the court. Enforcement Directorate (ED) has applied provision of Prevention of Money Laundering Act, 2002 (PMLA) on defaulting members and the Company. Investigations are in progress as on the date of the Audit Report. In case of any adverse findings against the Company, the same may have an effect on the financial position of one or more financial years."* [Refer note 68 of the consolidated financial statements of the FTIL Group]

b) *"As stated in note no. 56 read with note no. 1 to the Consolidated Financial Statements which refers to the matter pertaining to regulatory framework for Spot Exchange and related compliance issues with respect to the Exemption Notification No. S.O. 906(E) dated June 5, 2007 (issued by the Department of Consumer Affairs, Ministry of Consumer Affairs, Food and Public Distribution, Government of India, under section 27 of the Forward Contracts (Regulation) Act, 1952). The doubts have been raised as to alleged non-compliance of two of the conditions specified in the said Exemption Notification. While the Company has responded to Show Cause Notice (SCN) dated April 27, 2012 vide letter dated May 23, 2012 and further correspondences made in August, 2012 and July, 2013, the adjudication thereof is pending from respective authorities and hence the possible consequences arising out of same on the Company are not presently ascertainable. It is further stated that the Ministry of Finance, the Government of India, has withdrawn the aforesaid exemption notification w.e.f. September 19, 2014."* [Refer note 73 of the consolidated financial statements of the FTIL Group]

c) *"As stated in note no. 60 & 61 to the Consolidated Financial Statements, the Company has been served with notices/letters/summons from various statutory authorities/regulators/government departments and some purported aggrieved parties. There are some Writ Petitions, Public Interest Litigations, Civil Suits including in representative capacity filed by and against the Company. Such matters against the Company are either in progress or sub judice before different forums. The Company may have civil/criminal liability arising out of one or more of the proceedings initiated against the Company."* [Refer note 75 and 76 of the consolidated financial statements of the FTIL Group]

d) *"As stated in note no. 58 & 59 to the Consolidated Financial Statements the issue of legality of contracts traded on the Spot Exchange, the management has clarified that all the contracts carried out on the Exchange were proper and in consonance with the local applicable laws and that there was no violation thereto. As far as availability of commodities are concerned, it is stated that there were systems and processes in place for deposit of commodities and generation of warehouse receipts and allocation of the same. NSEL believed existence of commodities in warehouse on account of the Depositing member's declarations, invoices submitted by the depositing members, the officials concerned in the NSEL at the relevant time being satisfied that there were commodities deposited, generation of warehouse receipt by the concerned officials. Further, due to various events, arising during FY 2013-14, the Company had appointed an Internal Inquiry Committee (IIC) and also two forensic auditors after July 31, 2013 for verification of certain aspects of accounting, internal controls, propriety of accounting policies etc. Pursuant to findings from investigations related to the Company by aforesaid committee/forensic auditors, material weaknesses were reported in certain areas of internal control system pertaining to Spot Exchange related services. There were instances where the commodities were found missing and there were instances of commodities being available partly or fully. This is part of the investigations by EOW, other investigation agencies."* [Refer note 67 and 72 of the consolidated financial statements of the FTIL Group]

e) *"As stated in note no. 63 to the Consolidated Financial Statements in respect of effectiveness of internal controls, instances of circumventing of internal controls in some areas of operations on the Spot Exchange and in one of the group company viz. Indian Bullion Market Association Limited ('IBMA'), weakness in effectiveness of internal controls systems and control over financial reporting have been observed. Such instances were unearthed by various investigations carried out by IIC in the month of August 2013 and by a forensic auditor M/s. Grant Thornton India LLP in the month of September 2013 and by another forensic auditor M/s. Chokshi and Chokshi, Chartered Accountants in the month of February 2014.*

There were irregularities which have been observed arising out of misuse of powers by ex-MD & CEO along with some senior officials of the Company. As per explanations given by the current management of the Company, some of the controls which were circumvented by the erstwhile management were lack of compliance with Rules, Bye laws and Business Rules of the Exchange by the defaulting members, laxity in terms of exemption from margin requirement to members, oversight over commodities which were stored in the warehouses belonging to certain members etc., the ex-MD & CEO at the relevant time had failed to disclose non-compliance issues to the Board of Directors of the Company. As the final outcomes of such investigations are pending, we are unable to comment on the consequential impact, if any, in respect of the same in the Financial Statements.

As per group company viz. IBMA the holding Company NSEL had appointed Internal Inquiry Committee (IIC) which had examined certain transactions pertaining to SnP and had recommended further inquiry into the matter. As stated in Note no 63 of the Consolidated Financial Statements, in respect of effectiveness of internal controls systems and controls over the financial reporting, following weaknesses were observed in the findings carried out by forensic auditors Grant Thornton India LLP and Chokshi & Chokshi, Chartered Accountants in relation to transactions carried out with one related party SnP were not disclosed and segregation and earmarking of client margin was not done as was required under NSEL's bye laws, which was required of IBMA as an Institutional Trade and Clearing Member (ITCM) of NSEL. The weakness had been identified after the Balance Sheet date by subsequent investigations carried out by forensic auditors in this regards. Since the matter is for separate investigation and pending such investigation, we are unable to comment on the classification of such transaction in the books of accounts of IBMA.

The matters stated above could also have a consequential impact on the measurement and disclosure of information provided under, but not limited to statement of profit and loss, provision for tax, cash flow statement, segment information, and earnings per share for the year ended March 31, 2015 in these Financial Statements." [Refer note 78 of the consolidated financial statements of the FTIL Group]

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f) *"The trade receivables and other receivables are subject to confirmation and reconciliation. During the course of preparation of Financial Statements of respective Company, letter of confirmations have been sent to various parties by the respective company with a request to confirm the balances as on March 31, 2015. However, few confirmations have been received. The management, however, does not expect any material changes on account of such reconciliation/ non receipt of the confirmation from parties. However the balances between The Company and IBMA in respect of Exchange Operations are subject to reconciliation. In many cases legal notices have been sent to parties; however we are unable to form any opinion on recoverability of the outstanding balances of such parties".*

g) *"As stated in note no. 41 of notes to accounts, in earlier financial years the IBMA had rendered services to one M/s SnP Designs Pvt. Ltd. (SnP) relating to trade in future commodity contracts. At the end of the year a sum of Rs. 77,47,18,046/- was due and receivable on account of such services from SnP. The Managing Director and majority shareholder of SnP is Mrs. Shalini Sinha, the wife of Mr. Anjani Sinha (then Director and KMP of NSEL as well as IBMA).Such relationship was not informed by Mr. Anjani Sinha. No money has been received from SnP despite of substantial amounts due and outstanding. SnP denied having any liability to pay to the IBMA and the matter is under dispute. It has been informed by management that such transactions were carried out on the instruction issued by erstwhile director of Company Mr. Anjani Sinha who was managing the affairs of company."* [Refer note 66(c) of the consolidated financial statements of the FTIL Group]

h) *"As stated in 5(b) of basis of qualification in Auditors report of IBMA, IBMA has made provision for bad and doubtful debts for Rs. 20,49,66,433/- in case of receivables for sale and services entered by the IBMA. As per opinion formed by IBMA's Auditor, the Company should have provided 100% of all its bad and doubtful debts and other receivables. Accordingly, had this provided for entire amount as provision for bad and doubtful debts (including other receivables) the amount of provisions should have been higher by Rs. 40,97,93,241/-."*

i) *"The Company may be exposed to liabilities in case of any adverse outcome of these investigations/enquiries or legal cases or any other investigations as referred to in 2(a) to 2(e) above enquires or suits which may arise at a later date. In the light of the above, the outcome of which is not presently known and is uncertain at this stage, we are not able to comment on the impact in respect of the same on these Consolidated Financial Statements. Also, the matters stated above could also have a consequential impact on the measurement and disclosure of information provided, but not limited to, profit/(loss) before tax, provision for tax, cash flow statement, segment information and earnings per share for the year ended March 31, 2015 in these Consolidated Financial Statements".*

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consolidation of the reports of the other auditors referred to in 'Other Matters' paragraph below, *except for the possible effects of the matters specified under 'Basis for Qualified Opinion' paragraph*, the accompanying 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 FTIL Group as at March 31, 2015;

b) in the case of the consolidated statement of profit and loss, of the profit of the FTIL 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 FTIL Group for the year ended on that date.

Emphasis of Matter

3. We draw attention to Note 58 to the consolidated financial statement, regarding utilisation of unexpired MAT credit entitlement by the Holding Company. The Holding Company has a total MAT credit entitlement of Rs. 19,270.02 Lakhs as at March 31, 2015 including recognition of Rs. 10,081.20 Lakhs during the year ended March 31, 2015. Based on the projections made by the Holding Company's management regarding income-tax liability of the Holding Company, Management is of the view that the Holding Company will be able to utilise the unexpired MAT credit entitlement in projected years.

4. We draw attention to Note 54 to the consolidated financial statement, which describes the receipt of the draft order proposing amalgamation of National Spot Exchange Limited with the Holding Company. The Holding Company has filed a Writ Petition before the Honourable Bombay High Court challenging the said order.

5. We draw attention to Note 55 to the consolidated financial statement. Government of India has filed the Company Petition before the Principal Bench of the Company Law Board, under the Companies Act, 1956, seeking inter alia removal and supersession of the Board of Directors of the Holding Company, which has been protested by the Holding Company and the matter is pending before CLB for consideration.

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

6. We reproduce hereunder the 'Emphasis of Matter' paragraphs issued by the independent auditor(s) of a subsidiary viz. NSEL vide their audit report on the consolidated financial statements of NSEL, which also forms the 'Emphasis of Matter' paragraphs in our audit report on the accompanying Statement of the FTIL Group:

   a) "We draw attention to note no. 1 of the Consolidated Financial Statements. The reconstituted Board of Directors of the Company is of the view that in the short term its main challenge is to recover the money from defaulting members. As explained by the management, the Company is making all out efforts in recovering the amounts from defaulter members for settlement as well as its trade and other receivables. The holding company has committed to provide financial and other resources to NSEL for administrative and day to day expenses including legal and salary cost. The Company has continuing support from its holding company and on the basis of such support, business plans of the

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future & other factors, the accounts for the year ended March 31, 2015 are prepared on going concern basis. We have relied on the above mentioned explanations and information given by the Management." [Refer note 2 C (i) of the consolidated financial statements of the FTIL Group]

b) "The Ministry of Corporate Affairs (MCA), Government of India has issued on October 21, 2014, a draft order of Amalgamation of the Company with its holding company, Financial Technologies (India) Limited, u/s. 396 of the Companies Act, 1956. The holding company has contested the same before the Bombay High Court and is currently *sub-judice*. As per the draft order of MCA, it has sought suggestions and objections of each of the stakeholders and the final outcome is pending." [Refer note 54 of the consolidated financial statements of the FTIL Group]

c) "As stated in note no. 62, 63 and 66 of the Consolidated Financial Statements, there are some Writ Petitions, Public Interest Litigations, Civil Suits including in representative capacity filed by and against the Company. In the light of some of the litigations made against the Company by seller members, trading and clearing members as also defaulter members, holding the Company responsible as third party/ central party counter guarantor, for ensuring payments towards pending settlements on Spot Exchange, which have arisen during financial year. In this regard, the management and those charged with the governance, have represented to us that there are no claims/litigations/ potential settlements involving the Company directly or indirectly, which may require adjustments in the Financial Statements. In this regards the management believes that as per legal advice received from an expert, no such third party/central party counter guarantee was ever provided by the Company, and hence there shall not be any liability arising there from against the Company.

On October 21, 2014, the Ministry of Corporate Affairs, Government of India, issued a draft order suggesting that NSEL be amalgamated with FTIL as it is essential in public interest under Section 396 of Companies Act, 1956.

The government's draft order has been challenged by FTIL and certain shareholders of FTIL by way of Writ Petition in the Bombay High Court. Hon'ble Bombay High Court in its order passed on February 4, 2015 has inter alia ordered that the Central Government may consider passing final order after hearing contentions of NSEL and all other interested parties. NSEL is required to file their objections to the said draft order within 30 days and within 4 weeks thereafter Central Government to pass order after giving hearing to all interested parties. The High Court has further clarified that if any adverse order is passed by the Central Government, the same shall not be notified for a period of two weeks after the order is communicated." [Refer note 54 and 76 of the consolidated financial statements of the FTIL Group]

d) "We have solely relied on representation received from the Management in relation to the status of the Trade Receivable and Trade Payables, as few confirmations were available from the parties under Trade Receivable and Trade Payables."

e) "IBMA has recorded a loss of Rs. 26,69,98,212 for the year and has resulted in complete erosion of the net worth of the Company as at March 31, 2015. There has been discontinuation of most of the activities carried out by the Company after July 31, 2013. There have been ongoing litigations and civil proceedings initiated against the Company. While the Company had defaulted in payments of dues to various tax authorities /affiliated members' constituents etc, as at March 31, 2015 due to lower cash inflows from existing receivable and virtual stoppage of major sources of income after July 31, 2013, there are fears of default in meeting such obligations in future. The management of the Company has agreed to provide all the required financial help to IBMA subject to compliance of Court/Regulatory requirements. Necessary adjustments may have to be made to the value of assets and liabilities in case the going concern concept is vitiated. The accompanying Financial Statements have been prepared based on cumulative impact of following mitigating factors to consider the Company as a going concern basis despite of accumulated losses.

   i. IBMA has appointed a whole time director in April 2015 to look into the day to day affairs of the company and the company has plans to take steps for revival or restoration of few of the business operations and to recover the outstanding receivables, in near future.

   ii. Repayment of loan(s) received in subsequent financial year and interest accrued and due to holding Company is sought to be restructured with the support of the holding Company.

   iii. Payment of liability on account of trading activity due to holding Company is sought to be restructured with the support of holding Company.

   iv. The IBMA expect to receive continuing support from the Company, as was received in past.

   v. The IBMA has prayed before high court to permit Company to infuse capital or loan to IBMA for payments of statutory dues, amount of preservation, maintenance and protection of their assets and wage and salaries which have been restrained in view of the earlier Court Orders.".

f) "Due to various events occurred during the earlier year, the operations of the Company have been adversely affected. Forward Market Commission (FMC) has given directions on August 14, 2013 to the Company not to transfer any amount to the IBMA including the amounts due and recoverable for earlier commercial transactions already carried out with NSEL. The Bombay High Court, while examining the issue of diversion of funds from certain types of contracts to payments for e-series contracts, had given directions to the Company vide its order dated October 7, 2013 had given directions to not to dispose of, alienate, encumber, part with possession of or create any third party right, title and/ or interest in, upon or in respect of any of the assets, except for the payment of statutory dues, amounts for the preservation, maintenance and protection of their assets and wages and salaries without the written permission of the FMC and in the case of immovable properties, without the orders of the Bombay High Court. Hence Company could not make any payment to the IBMA. The IBMA has approached Hon'ble Bombay High Court praying inter-alia to permit company to infuse capital or loan to IBMA for payment of statutory dues, amounts for preservation, maintenance and protection of assets and wages and salaries." [Refer note 76 (h) and 76(i) of the consolidated financial statements of the FTIL Group]

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7. We reproduce hereunder the 'Emphasis of Matter' paragraph issued by the independent auditor(s) of a subsidiary viz. FT Group Investments Pvt. Ltd. ('FTGIPL') vide their audit report on the consolidated financial statements of FTGIPL, which also forms the 'Emphasis of Matter' paragraphs in our audit report on the accompanying Statement of the FTIL Group:

   "We draw attention to Note 20 to the consolidated financial statements which describe the basis of preparing these consolidated financial statements and the fair value of investments."

8. We reproduce hereunder the 'Emphasis of Matter' paragraph issued by the independent auditor(s) of an associate viz. SME Exchange of India Limited ('SME') (treated as an associate till January 21, 2015) vide their audit report on the financial statements of SME, which also forms the 'Emphasis of Matter' paragraphs in our audit report on the accompanying Statement of the FTIL Group:

   "We draw attention to the following matters in the notes to the financial statements:

   Note No. 1 of the Financial Statement which, describes that Board of directors in their meeting held on January 19, 2015 recommended that the company be wounded up and decided January 21, 2015 as its cut-off date. Since the Company is under process for Voluntary winding up, the assumptions of going concern is not considered while drawing up Financial statements of the Company. The financial statements of the Company have been prepared for the Period April 1, 2014 to January 21, 2015."

   Our opinion is not qualified in respect of matters stated above.

Other matters

We did not audit the financial statements of thirteen subsidiaries and consolidated financial statements of two subsidiaries included in the consolidated financial statements of the FTIL Group, whose financial statements/consolidated financial statement reflect total assets of Rs.143,190.96 Lakhs as at March 31, 2015; as well as the total revenue of Rs.43,602.28 Lakhs and net cash outflow amounting to Rs.(21,315.81) Lakhs for the year then ended. We further report that in respect of two associates, we did not carry out the audit. The consolidated financial statements of the FTIL Group include the net carrying cost of investment of Rs. Nil Lakhs and current year share of net profit/(loss) of Rs. Nil Lakhs in respect of these associates. These financial statements/consolidated financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion on the accompanying Statement, to the extent they have been derived from such financial statements/consolidated financial statements is based solely on the report of such auditors.

We further report that in respect of one joint venture included in the consolidated financial statements of the FTIL Group, whose consolidated financial statement reflect total assets of Rs.22,777.95 Lakhs as at March 31, 2015; as well as the total revenue of Rs.1,765.55 Lakhs and net cash outflow amounting to Rs.(244.02) Lakhs for the year then ended, has been certified by management and has been furnished to us, and in our opinion, insofar as it relates to the amounts included in respect of this joint venture, is based solely on this certified consolidated financial statement. Since the consolidated financial statements for the financial year ended March 31, 2015, which were compiled by management of this company, were not audited, any adjustments to their balances could have consequential effects on the attached Statement. However, the size of this joint venture, in the consolidated position is not significant in relative terms.

Our opinion is not qualified in respect of other matters.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2015 (the 'Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on the comments in the auditors' reports of the Holding Company, subsidiary companies and associate company, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report, to the extent applicable, that:

   (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

   (c) the consolidated balance sheet, the consolidated statement of profit and loss and the consolidated cash flow statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;

   (e) on the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the board of directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate company, none of the directors of the FTIL Group companies and its associate company is disqualified as on March 31, 2015 from being appointed as a director in terms of section 164 (2) of the Act; and

   (f) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

INDEPENDENT AUDITORS' REPORT

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i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the FTIL Group (refer note 31);

ii. provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts including derivative contracts; and

iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the FTIL Group.

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

Tirtharaj Khot
Partner
Membership No. (F) 037457

Mumbai, May 22, 2015

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in 'other matters' and paragraph 1 under 'Report on other legal and regulatory requirements' of our report of even date)

The following statement is based on the comments in the Auditors' reports on the standalone financial statements of the Holding Company, subsidiary companies, jointly controlled companies and associate companies incorporated in India.

(i) (a) The Group is maintaining proper records showing full particulars, including quantitative details and situation of all fixed assets;

(b) We are informed that the fixed assets have been physically verified by the management of respective companies at reasonable intervals and no material discrepancies were noticed on such verification.

(ii) (a) The management of respective companies has carried out the physical verification of inventories at reasonable intervals. In certain cases verification of inventories has been carried out by the management on the basis of statement received from depository participants or warehouse receipts in respect of commodities held as stock-in-trade in physical or in demat form.

(b) Procedures of physical verification of inventory followed by the management of respective companies are reasonable and adequate in relation to the size of the Company and nature of its business.

(c) The Group is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.

(iii) According to the information and explanations given to us, the companies in the Group have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, the Paragraph 3 (iii) (a) and (b) of the Order are not applicable.

(iv) There are adequate internal control systems commensurate with the size of the respective companies in the Group and the nature of their businesses for the purchase of inventory and fixed assets and for sale of goods and services. Further, on the basis of the examination carried out by the statutory auditors of the books and records of the respective companies in the Group, we have neither come across nor have we been informed of any continuing failure to correct major weaknesses in the aforesaid internal control systems.

(v) The Group has not accepted deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76, or any other relevant provisions of the Act and the rules framed thereunder apply. Accordingly, paragraph 3(v) of the Order is not applicable.

(vi) The Central Government has not specified the maintenance of cost records under section 148(1) of the Act to the companies in the Group.

(vii) (a) The Group is generally regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. The extent of the arrears of outstanding statutory dues as at March 31, 2015 for a period of more than six months from the date they became payable are as follows:

Name of Statute	Nature of Dues	Amount (Rs. in Lakhs)	Period to which amount relates
Income Tax Act, 1961	TDS	22.36	FY 13-14 & FY 14-15
Service Tax	As per return	2.24	FY 14-15
Gujarat VAT Act	As per VAT returns	387.03	FY 13-14
Punjab VAT Act	As per VAT returns	844.83	FY 13-14
Haryana VAT Act	As per VAT returns	452.39	FY 13-14
Delhi VAT Act	As per VAT returns	72.34	FY 14-15
Andhra Pradesh VAT Act	As per VAT returns	4.88	FY 14-15
	TOTAL	**1,786.07**	

(b) The particulars of income tax, service tax, sales tax, excise duty and value added tax as at March 31, 2015 which have not been deposited on account of dispute pending are as under:

Name of the Statute	Nature of the disputed dues	Amount (Rs. in Lakhs)*	Period to which the amount relates	Forum where disputes are pending
Income-Tax Act, 1961	Tax, Interest, Penalty & TDS	707.02	AY 09-10 & AY 11-12	Commissioner of Income Tax (Appeals)
	Relief against the addition u/s 14A	4.40	AY 10-11	Income Tax Appellate Tribunal
Finance Act, 1994	Service Tax	165.92	FY 07-08	Commissioner of Service Tax
		0.06	-	-
Central Sales Tax Act, 1956	Central Sales Tax	3.12	FY 06-07	Joint Commissioner of Sales Tax (Appeal)

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in 'other matters' and paragraph 1 under 'Report on other legal and regulatory requirements' of our report of even date)

Name of the Statute	Nature of the disputed dues	Amount (Rs. in Lakhs)*	Period to which the amount relates	Forum where disputes are pending
Central Excise Act,1944	Excise duty (including interest and penalty)	#221.60	FY 05-06	Superintendent Central Excise
Maharashtra Value Added Tax Act, 2002	Value Added Tax (including interest and penalty)	124.90	FY 05-06 to FY 10-11	Joint Commissioner of Sales Tax (Appeal)
Andhra Pradesh VAT Act	Sales tax demand for purchase as an agent for members	660.52	FY 12-13	The Sale Tax Officer Andhra Pradesh
Delhi VAT Act	Sales tax demand for own trade activity on account of denial of input tax credit	25.90	FY 11-12 & FY 12-13	The Sale Tax Officer Delhi
Gujarat VAT Act	Sales tax demand for purchase as an agent for members	35.68	FY 10-11	Deputy Commissioner of Commercial Tax, Gujarat
Punjab VAT Act	Sales tax demand for purchase as an agent for members	2,602.50	1.10.2012 to 31.12.2012	Punjab Appellate Tribunal
Rajasthan VAT Act	Sales tax demand for own trade activity on account of denial of input tax credit	455.29	FY 09-10 to FY 11-12	The Sale Tax Officer Rajasthan
West Bengal VAT Act	Sales tax demand for own trade activity on account of denial of input tax credit	28.36	FY 11-12	The Sale Tax Officer West Bengal

*Amounts are net of pre-deposit paid in getting the stay/ appeal admitted, if any;
#amount is including interest.

(c) The amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within prescribed time.

(viii) The Group has no accumulated losses as at March 31, 2015. The Group has incurred cash losses in the current financial year and in the immediately preceding financial year.

(ix) The Group has not defaulted in repayment of dues to any financial institution or bank or debenture holder as at the balance sheet date.

(x) The terms and conditions of the guarantees given by certain companies in the Group for loans taken by others from banks or financial institutions are prima facie not prejudicial to the interests of the Group.

(xi) Certain companies in the group have availed the term loans and have applied it for the purpose for which they were obtained.

(xii) *Except for the matter(s) referred in the 'Basis for Qualified Opinion' of our audit report which are subjudice and hence are inconclusive*, to the best of our knowledge and according to the information and explanations gives to us, no fraud by the respective companies in the group and no material fraud on the respective companies in the group has been noticed or reported during the year.

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

Tirtharaj Khot
Partner
Membership No. (F) 037457

Mumbai, May 22, 2015

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2015

(₹ lacs)

	Note No.	As at 31.03.2015	As at 31.03.2014
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	921.57	921.57
(b) Reserves and surplus	4	291,905.61	255,166.12
		292,827.18	256,087.69
2 Minority interest		161.53	598.99
3 Non-current liabilities			
(a) Long-term borrowings	5	48,038.44	46,879.66
(b) Deferred tax liabilities (net)	6	2,256.68	2,768.13
(c) Other long term liabilities	7	1,170.64	584.36
(d) Long-term provisions	8	997.71	1,347.53
		52,463.47	51,579.68
4 Current liabilities			
(a) Short-term borrowings	9	528.74	2,491.73
(b) Trade payables	10	3,434.06	5,626.60
(c) Other current liabilities	11	42,978.99	40,113.37
(d) Short-term provisions	12	3,808.51	2,050.58
		50,750.30	50,282.28
TOTAL		**396,202.48**	358,548.64
II. ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	13 A	43,125.87	51,032.84
(ii) Intangible assets	13 B	2,435.50	1,745.44
(iii) Capital work-in-progress		1.80	439.03
		45,563.17	53,217.31
(b) Goodwill on consolidation		111.28	465.58
(c) Non-current investments	14	51,587.07	8,146.55
(d) Long-term loans and advances	15	31,586.23	22,385.24
(e) Other non-current assets	16	6,467.22	5,060.00
		135,314.97	89,274.68
2 Current assets			
(a) Current investments	17	149,224.37	108,503.88
(b) Inventories	18	639.94	5,561.51
(c) Trade receivables	19	4,384.05	13,605.76
(d) Cash and cash equivalents	20	53,495.37	78,531.31
(e) Short-term loans and advances	21	33,253.35	38,752.93
(f) Other current assets	22	19,890.43	24,318.57
		260,887.51	269,273.96
TOTAL		**396,202.48**	358,548.64
See accompanying notes forming part of the consolidated financial statements	1 to 80		

As per our attached report of even date
For Sharp and Tannan Associates
Chartered Accountants
(ICAI Firm Reg. No.109983W)

Tirtharaj Khot
Partner
Membership No:(F) 037457

Place : Mumbai
Date : May 22, 2015

For and on behalf of the Board

Venkat R Chary
Chairman
DIN - 00273036

Prashant Desai
Managing Director & Chief Executive Officer
DIN- 01578418

Hariraj Chouhan
Vice President
& Company Secretary

Devendra Agrawal
Chief Financial Officer

Place : Mumbai
Date : May 22, 2015

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

	Note No.	Year Ended 31.03.2015	Year Ended 31.03.2014
Revenue from operations	23	20,950.50	56,793.44
Other income	24	17,295.57	14,156.15
Total revenue		**38,246.07**	70,949.59
EXPENSES			
Purchases of stock-in-trade	25	2.18	14.37
Changes in inventory of stock-in-trade	26	0.43	(1.19)
Employee benefits expense	27	17,180.10	23,602.47
Finance costs	28	2,634.17	8,176.96
Depreciation and amortisation expense	29	4,496.14	4,295.84
Other expenses	30	30,283.44	44,287.52
Total expenses		**54,596.46**	80,375.97
Profit / (Loss) before exceptional item and tax		**(16,350.39)**	(9,426.38)
Exceptional item			
Net Gain on sale of equity shares/warrants		65,631.14	94,436.33
Profit before tax		**49,280.75**	85,009.95
Tax expense / (credit)			
(a) Current tax expense		17,013.06	5,798.40
(b) Less: MAT credit		(10,081.20)	(1,002.64)
(c) Current tax expense relating to prior years		3.16	39.89
(d) Less: MAT credit availed relating to prior years		-	(8.20)
(e) Net current tax expense		**6,935.02**	4,827.45
(f) Deferred Tax		(286.82)	19.31
Net tax expenses		**6,648.20**	4,846.76
Profit after tax before share of profit of associates and minority interest		**42,632.55**	80,163.19
Net share of profit / (Loss) of associates (equity method)		(0.12)	6,347.53
Net minority interest in profit of subsidiaries		39.25	440.03
Profit for the year		**42,671.68**	86,950.75
Earnings per share:	36		
Basic per share (in ₹)		92.61	188.70
Diluted per share (in ₹)		92.31	188.09
Face Value Per Share (in ₹)		2	2
See accompanying notes forming part of the consolidated financial statements	1 to 80		

As per our attached report of even date
For Sharp and Tannan Associates
Chartered Accountants
(ICAI Firm Reg. No.109983W)

Tirtharaj Khot
Partner
Membership No:(F) 037457

Place : Mumbai
Date : May 22, 2015

For and on behalf of the Board

Venkat R Chary
Chairman
DIN - 00273036

Prashant Desai
Managing Director & Chief Executive Officer
DIN- 01578418

Hariraj Chouhan
Vice President
& Company Secretary

Devendra Agrawal
Chief Financial Officer

Place : Mumbai
Date : May 22, 2015

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

	Year Ended 31.03.2015		Year Ended 31.03.2014	
A. Cash flow from operating activities				
Net profit before tax		**49,280.75**		85,009.95
Adjustments for:				
Depreciation and amortisation expense	4,496.14		4,295.84	
Profit on sale of other investments (net)	(8,341.80)		(7,991.18)	
(Profit) / Loss on disposal / write off of fixed assets (net)	168.43		234.13	
Net Gain on sale of equity shares/warrants	(65,631.14)		(94,436.33)	
Impairment of goodwill	-		299.94	
Bad trade receivables / advances written off and provision for doubtful trade receivable / advances (net)	3,244.96		4,986.57	
Write down in value of current investments (net)	2,687.19		534.76	
Amortisation of premium on purchase of bonds	54.79			
Dividend income	(4,683.01)		(1,322.57)	
Finance costs	2,634.17		8,176.96	
Expenses on employee stock option (ESOP) schemes	574.00		-	
Exchange rate fluctuations- loss	2,171.19		7,264.11	
Interest income	(3,097.81)	(65,722.89)	(2,424.84)	(80,382.61)
Operating profit before working capital changes		**(16,442.14)**		4,627.34
Changes in working capital:				
Inventories	270.95		31,921.11	
Trade and other receivables	6,911.85		16,460.77	
Trade payables and provisions	1,369.57	8,552.37	(87,180.75)	(38,798.87)
Cash generated from operations		**(7,889.77)**		(34,171.53)
Net income tax paid		(201.56)		(4,250.41)
Net cash flow from operating activities		**(8,091.33)**		(38,421.94)
B. Cash flow from investing activities				
Capital expenditure on fixed assets including capital advances		(1,371.65)		(5,725.75)
Proceeds from sale of fixed assets		106.96		101.33
Proceeds from partial sale of stake in an associate company (net of expenses) (Refer Note 33)		-		7,125.63
Investment in subsidiaries		(10.00)		-
Proceeds from sale of investments in subsidiaries		29,094.56		73,585.55
Purchases of investments		(860,998.80)		(417,723.63)
Proceeds from sale of investments		834,100.16		507,616.85
Increase in fixed deposit with banks		438.96		17,338.81
Interest income		1,717.65		3,160.42
Dividend income from associate companies		-		2,793.53
Dividend income		2,428.11		1,322.57
Cash used in investing activities		5,505.95		189,595.31
Net income tax paid		(17,357.95)		(4,067.81)
Net cash used in investing activities		**(11,852.00)**		185,527.50
C. Cash flow from financing activities				
Repayment of other borrowings		-		(90,271.55)
Increase / (decrease) in short term borrowings		5,131.85		(20,423.59)
Dividend paid during the year (including dividend tax)		(6,607.61)		(4,312.76)
Proceeds from issue of shares to minority shareholders in subsidiaries		54.69		358.11
Proceeds from premium on issue of shares in joint venture		-		3,366.17
Finance costs		(2,576.35)		(6,963.38)
Cash generated from / (used in) financing activities		**(3,997.42)**		(118,247.00)
Net decrease in cash and cash equivalents (A+B+C)		**(23,940.75)**		28,858.56
Cash and cash equivalents (opening balance)		52,457.13		23,598.57
Cash and cash equivalents (closing balance)		28,516.38		52,457.13

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015 (CONTD.)

Notes to cash flow statement:

(₹ lacs)

		Current Year	Previous Year
1	Cash and Cash equivalents	28,516.38	52,457.13
	Effect on exchange differences on restatement of foreign currency cash and cash equivalents	7,233.02	5,762.05
	Cash and cash equivalents (Refer Note 20)	**35,749.40**	58,219.18
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".		

As per our attached report of even date
For Sharp and Tannan Associates
Chartered Accountants
(ICAI Firm Reg. No.109983W)

Tirtharaj Khot
Partner
Membership No:(F) 037457

Place : Mumbai
Date : May 22, 2015

For and on behalf of the Board

Venkat R Chary
Chairman
DIN - 00273036

Prashant Desai
Managing Director & Chief Executive Officer
DIN- 01578418

Hariraj Chouhan
Vice President
& Company Secretary

Devendra Agrawal
Chief Financial Officer

Place : Mumbai
Date : May 22, 2015

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

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.

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, 2015. In respect of the financial statements of a jointly controlled entity group used in the consolidation, whose reporting date is of December 31, 2014 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 January 1, 2015 to March 31, 2015 and January 1, 2014 to March 31, 2014, 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 recognized 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 (Accounts) Rules, 2014 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:

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	94.81%	94.68%
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 (IBMA) (subsidiary of NSEL)	India	60.88%	60.88%
5	*National Bulk Handling Corporation Limited (NBHC) (sold w.e.f. April 25, 2014)	India	-	95.00%

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

Sr. No.	Name of Subsidiaries	Country of incorporation	Proportion of Ownership Interest (Current year)	Proportion of Ownership Interest (Previous year)
6	Farmer Agricultural Integrated Development Alliance Ltd. (FAIDA) (subsidiary of NSEL)	India	100.00%	100.00%
7	Westernghats Agro Growers Company Limited (WGAGL)	India	84.00%	51.00%
8	TickerPlant Limited (TickerPlant)	India	100.00%	97.59%
9	Riskraft Consulting Limited (Riskraft)	India	100.00%	100.00%
10	Financial Technologies Middle East DMCC (FTME) (subsidiary of FTGIPL)	U.A.E.	100.00%	100.00%
11	Financial Technologies Projects Pvt. Ltd. (FTPPL) (under liquidation)	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 (TGCFL) (sold w.e.f. August 19, 2014)	India	100.00%	100.00%
18	FT Group Investments Pvt. Ltd. (FTGIPL)	Mauritius	100.00%	100.00%
19	Bourse Africa (Botswana) Limited (BABL) (Formerly Known as Bourse Africa Limited) (BAL) (subsidiary of FTGIPL)	Botswana	99.98%	99.98%
20	Knowledge Assets Pvt. Ltd. (KAPL)	Mauritius	100.00%	100.00%
21	Bourse Africa Limited (BAL) (subsidiary of FTGIPL)	Mauritius	100.00%	100.00%
22	Bourse Africa Clear Limited (BACL)	Mauritius	100.00%	100.00%
23	Financial Technologies Singapore Pte Limited (FTSPL)	Singapore	100.00%	100.00%
24	ICX Platform (Pty) Limited (ICX)	South Africa	100.00%	100.00%
25	Credit Market Services Limited (CMSL)	India	99.99%	99.99%
26	Apian Finance & Investment Limited (Apian)	India	100.00%	100.00%
27	Takshashila Academia of Economic Research Limited (TAER) (sold w.e.f. September 15, 2014)	India	100.00%	100.00%
28	FT Projects Limited. (FTPL)	India	100.00%	100.00%
29	Boursa India Ltd (BIL) (sold w.e.f. August 19, 2014)	India	100.00%	100.00%
30	BFX Clearing & Depository Corporation BSC (c) (subsidiary of BFX)	Bahrain	100.00%	100.00%
31	Bourse Tanzania Limited (Subsidiary of BAL) (liquidated w.e.f. May 28,2014)	Tanzania	100.00%	100.00%
32	Bourse Uganda Limited (subsidiary of BAL) (liquidated w.e.f. June 10,2014)	Uganda	100.00%	100.00%
33	Bourse Africa (Kenya) Limited (subsidiary of BAL) (liquidated w.e.f. May 07,2014)	Kenya	100.00%	100.00%
34	Bourse Exchange Nigeria Limited (subsidiary of BAL) (sold in w.e.f. January 19, 2015)	Nigeria	100.00%	100.00%
35	Bourse Zambia Limited (subsidiary of BAL) (liquidated w.e.f. January 24,2015)	Zambia	100.00%	100.00%
36	ICX Africa Limited (subsidiary of BAL) (w.e.f July 26, 2011)(liquidated w.e.f. May 19,2014)	Botswana	100.00%	100.00%
37	Bourse South Africa Limited (subsidiary of BAL) (under liquidation)	Botswana	100.00%	100.00%

Note: *Sale transaction of NBHC was concluded on April 25, 2014, hence based on materiality financial statements of NBHC for the period April 1, 2014 to April 25, 2014 have not been considered for consolidation.

i) In respect of direct subsidiaries listed in Sr. No. 1,2,3,8,11,16,17,18,20,25,26,27,28 & 29 of para (f) above, financial statements have been prepared on a going concern basis, where accumulated losses aggregate ₹ 38,125.47 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 ₹ 21,866.42 lacs, where their auditors have drawn emphasis of matter paragraph in their report.

ii) The Board of Directors of the NSEL is of the view that in the short term its main challenge is to recover the money from the defaulting members. NSEL is making all out efforts in monetizing its trade and other receivables. At appropriate time, NSEL is contemplating to commence one of the activities as specified in the Memorandum of Association, subject to necessary regulatory approvals. Parent Company had given assurance to provide financial and other resources to NSEL for administrative and day to day expenses including legal and salary cost. In addition the Parent Company has infused equity capital of ₹ 1,500 lacs and this has resulted in maintaining net worth of NSEL. On the above basis NSEL's financial statements have been prepared on Going Concern basis.

A group company viz (IBMA) has made a fair estimate of the ability of the company to carry on business for near term period. The holding company, NSEL has agreed to provide all required financial help to the company subject to compliance of Court/ regulatory requirements. In view of the above support and reduction in the operating costs IBMA believes that it will have sustainable cash flow which in near term will support IBMA's future plans. Accordingly, the Financial Statements have been prepared on the basis that IBMA is a going concern and that no adjustments are required to the carrying value of assets and liabilities.

(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 recognize 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 33 and 45)

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) (Associate up to December 25, 2013)	**India**	-	26.00%
2.	Indian Energy Exchange Limited (IEX) (Associate up to May 13 , 2014, Refer Note 45)	**India**	25.64%	25.64%
3.	MCX-SX Clearing Corporation Limited (MCX-SX CCL) (Associate up to March 18, 2014)	**India**	-	23.00%
4.	SME Exchange of India Limited (SME)(Under Liquidation)	**India**	49.00%	49.00%

Note:

- IEX was cease to be associate from May 13, 2014, hence based on materiality financial statements of IEX for the period April 1, 2014 to May 13, 2014 have not been considered for consolidation.
- The financial statement of SME has been prepared for the period April 1, 2014 to January 21, 2015, since SME is under process for voluntary winding up.

(iii) Investments in Joint Venture:

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	U.A.E.	27.25%	27.25%

Held by the Parent Company 12.95% and FTGIPL 14.30%: (Previous Year 12.95% and 14.30% respectively)

Refer Note 34 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).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(iv) Disclosures mandated by schedule III of Companies act 2013, by way of additional information:

Sr. No.	Name of the entity	Net Assets i.e total assets minus total liabilities		Share in Profit / Loss	
		As % of consolidated net assets	Amount	As % of consolidated Profit / Loss	Amount
I.	**Parent Company**				
	Financial Technologies (India) Limited	94.93	277,994.26	104.41	44,513.90
II.	**Subsidiaries**				
	a. Indian Subsidiaries:				
	National Spot Exchange Ltd. (NSEL) (on consolidated basis)	2.02	5,910.14	(21.86)	(9,319.34)
	Apian Finance and Investments Ltd.(APIAN)	0.18	541.11	(0.67)	(286.34)
	TickerPlant Ltd. (TickerPlant)	0.06	166.89	(1.61)	(685.56)
	atom Technologies Ltd. (atom)	0.19	557.96	(1.58)	(673.76)
	Riskraft Consulting Ltd. (Riskraft)	0.02	64.43	0.00	1.29
	Financial Technologies Communications Ltd. (FTCL)	0.14	403.76	0.04	17.58
	Global Payment Networks Ltd.(GPNL)	0.04	124.52	0.01	3.41
	FT Knowledge Management Company Ltd(FTKMCL)	0.05	140.28	(0.11)	(45.96)
	IBS Forex Ltd. (IBS)	0.19	542.72	(0.02)	(10.18)
	FT Projects Ltd. (FTPL)	(0.00)	(1.97)	(0.00)	(1.60)
	Credit Market Services Ltd. (CMSL)	(0.00)	(6.78)	(0.01)	(3.24)
	Trans-Global Credit & Finance Ltd.(TGCFL) (subsidiary up to August 19, 2014)	(0.00)	(5.94)	(0.00)	(0.05)
	Boursa India Ltd. (BIL) (subsidiary up to August 19, 2014)	(0.00)	(1.91)	(0.00)	(0.20)
	Takshashila Academia of Economic Research Ltd. (TAER) (subsidiary up to September 15,2014)	(0.05)	(148.33)	(0.01)	(2.19)
	b. Foreign Subsidiaries :				
	FT Group Investments Pvt. Ltd. (FTGIPL) (on Consolidated basis)	(6.63)	(19,426.55)	(50.46)	(21,510.84)
	Financial Technologies Singapore Pte Ltd. (FTSPL)	19.15	56,073.91	(12.25)	(5,221.28)
	Knowledge Assets Pvt. Ltd. (KAPL)	(0.01)	(40.63)	(0.02)	(9.35)
	ICX Platform (Pty) Ltd. (ICX)	(0.04)	(108.36)	0.11	45.62
	Financial Technologies Projects Pvt. Ltd. (FTPPL)	(0.00)	(1.01)	-	-
III.	Foreign Joint Ventures :				
	Dubai Gold and Commodities Exchange (DGCX)	0.48	1,417.26	(2.90)	(1,234.84)
	Subtotal		**324,195.78**		**5,577.07**
	Inter-Company Elimination & Consolidation Adjustments	(10.71)	(31,368.60)	86.92	37,055.48
	Grand Total		**292,827.18**		**42,632.55**
	Minority Interest in Subsidiaries		161.53	0.09	39.25
	Share of profit in Associates			(0.00)	(0.12)
	Total				**42,671.68**

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 52 of the Companies Act, 2013. Ancillary borrowing costs are amortised over the period of loan. All other borrowing costs are charged to revenue.

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 lease are recognized 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

(i) Upto December 31, 2013, depreciation was being provided at the rates prescribed in Schedule XIV to the Companies Act, 1956 except in respect of the following categories of assets. 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 DGCX and BAL)
Premium on leasehold land	Over the period of lease
Office equipments (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

(ii) During the quarter ended March 31, 2014, the Management has revised the estimated useful life of the following categories of assets under.

Assets	Revised useful life
Office Equipment	2 to 10 Years
Computer Hardware	3 to 6 Years
Furniture and Fixtures	5 to10 Years
Vehicles	8 Years
Trade mark and Copyrights	5 - 10 years
Technical knowhow	6 years

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(iii) Accordingly, the unamortised depreciable amount of the aforesaid assets as on December 31, 2013 is being charged to revenue over the revised remaining useful lives.

(iv) Depreciation on buildings continues to be provided at the rates prescribed in Schedule II to the Companies Act, 2013 and leasehold land and improvement to leasehold premises continues to be amortized over the period of lease.

(v) Assets amounting upto ₹ 5000 are fully depreciated in the year of acquisition.

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.

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 39).

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.

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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

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 31.03.2015		As at 31.03.2014	
	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 Parent company has issued :

Nil (Previous Year 1,94,900) Equity shares of ₹ 2/- each fully paid-up to the employees under employee stock option ('ESOP') schemes.

(b) The outstanding GDR as on March 31, 2015 are Nil (Previous Year 185,367) and the underlying equity shares as on March 31, 2015 are Nil (Previous Year 26,481)

(c) Rights, preferences and restrictions attached to equity shares:

The Parent 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 Parent 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 Parent company, the holders of equity shares will be entitled to receive remaining assets of the Parent company, after distribution of all preferential amounts in the proportion of equity shares held.

(d) Details of equity shares held by each shareholder holding more than 5% equity shares in the Parent company:

	As at 31.03.2015		As at 31.03.2014	
	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 Kanaiyalal Sheth	2,162,613	5.34	2,489,762	5.40
Blackstone GPV Capital Partners Mauritius VI FII Ltd	3,235,703	7.02	3,235,703	7.02

*includes 3,585,715 (7.78%) equity shares held jointly

(e) As at March 31, 2015, 1,039,703 Options (Previous Year 1,217,901) are outstanding towards Employee Stock Options granted.

For particulars of options on unissued capital under employee stock option schemes, Refer Note 39.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

4	RESERVES AND SURPLUS	As at 31.03.2015	As at 31.03.2014
	Capital reserve	147.59	147.59
	Capital reserve on consolidation		
	Balance as per last balance sheet	6,652.72	1,150.77
	Add: On account of Changes in Holding in Subsidiaries / JVS	(185.44)	5,501.95
		6,467.28	6,652.72
	Securities premium account	41,746.61	41,746.61
	General reserve		
	Balance as per last Balance Sheet	40,834.85	40,834.85
	Less: Transferred to Statement of Profit and Loss	14,421.70	-
		26,413.15	40,834.85
	Foreign currency translation reserve		
	Balance as per last Balance Sheet	(10,769.98)	(3,412.09)
	(Less)/Add : Effect of foreign exchange rate variation during the year	1,723.13	(7,357.89)
		(9,046.85)	(10,769.98)
	Statutory reserve		
	Balance as per last Balance Sheet	38.00	26.89
	Add: Transferred from Statement of Profit and Loss	-	11.11
		38.00	38.00
	Security Guarantee Fund	84.66	84.66
	Share Options Outstanding Account		
	Balance as per Last Financial Statements	-	-
	Add: Amounts recorded on modification during the year	574.00	-
		574.00	-
	Foreign currency monetary item translation difference account (FCMITDA)		
	Balance as per last Balance Sheet	(5,368.26)	(5,803.74)
	Add : Effect of foreign exchange rate variation during the year	258.49	435.48
		(5,109.77)	(5,368.26)
	Surplus in Statement of Profit and Loss		
	Balance as per last Balance Sheet	181,799.93	100,592.88
	Profit for the year	42,671.69	86,950.74
	Less: Appropriations		
	Interim Dividend [₹ 12/- per share (Previous Year ₹ 6/- per share)]	5,529.42	2,764.71
	Final Dividend (Proposed) [₹ 5/- per share (Previous Year ₹ 2/- per share)]	2,303.93	921.57
	Tax on Dividend	469.03	626.48
	Changes in holding in JV	-	1,419.82
	Transfer to Statutory reserve	-	11.11
	Total Appropriations	**8,302.38**	5,743.69
		34,369.31	81,207.05
	Add: 'Transfer from General reserve	14,421.70	-
		48,791.01	81,207.05
	Net surplus in Statement of Profit and Loss	**230,590.94**	181,799.93
	TOTAL	**291,905.61**	255,166.12

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

5	LONG-TERM BORROWINGS	As at 31.03.2015	As at 31.03.2014
	Secured borrowings		
	Indian rupee term loan from banks [Refer Note (b) below]	-	753.06
	Unsecured term loans from banks		
	External commercial borrowings in foreign currency [Refer Note (a) below]	48,038.44	46,126.60
		48,038.44	46,879.66

(a) During the year ended March 31, 2012, the Parent Company had availed three foreign currency term loans viz. external commercial borrowings aggregating USD 110 million comprising of:

i) Loans of USD 35 million and USD 50 million which were 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. During the previous year, the Parent company partly prepaid USD 9.8 million out of loan of USD 35 million and balance USD 25.2 million is repayable in April 2017. Similarly, during the previous year, the Parent company partly prepaid USD 14 million out of loan of USD 50 million and balance USD 36 million is repayable in May 2017. These loans carried interest at the rate of applicable quarterly LIBOR plus margin of 3.5% p.a. which was reduced to quarterly LIBOR plus margin of 3.0% p.a. during the previous year; and

ii) Loan of USD 25 million was repayable in nine semi-annual installments (first eight installments of 11% each and last installment of 12%) starting from December 2014. During the previous year, the loan was refinanced with the same lender at reduced borrowing rate. Also the Parent company prepaid USD 9.45 million during the previous year and balance USD 15.55 million is repayable in December 2017. This loan carried interest at the rate of applicable quarterly LIBOR plus margin of 5% p.a. (4.8% p.a. on refinancing) which was reduced to quarterly LIBOR plus margin of 4.3% p.a.

(b) In Previous Year , 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 April 30, 2012]. In respect of financial year 2012 - 13, NBHC has taken an additional Indian rupee loan from bank on October 31, 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. January 31, 2013. 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 installment 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 March 31, 2014 have been group under "current maturities of secured long-term borrowings" (Refer Note 11).

(₹ lacs)

6	DEFERRED TAX LIABILITIES		As at 31.03.2015	As at 31.03.2014
	(a) Deferred tax liability			
	Depreciation		2,527.75	2,995.81
	Unamortised ancillary borrowing costs		164.12	237.46
			2,691.87	3,233.27
	(b) Deferred tax asset			
	Provision for doubtful trade receivables, advances etc.		141.48	198.08
	Diminution in the value of current investments		22.82	-
	Provision for compensated absences and gratuity		270.89	267.06
			435.19	465.14
	Net deferred tax liability	**TOTAL**	**2,256.68**	2,768.13
7	**OTHER LONG-TERM LIABILITIES**			
	Income received in advance / unearned revenue		1,148.82	503.95
	Members liabilities		-	2.46
	Deposits from settlement bank		-	50.00
	Other Advances		21.82	27.95
		TOTAL	**1,170.64**	584.36
8	**LONG-TERM PROVISIONS**			
	Provision for employee benefits			
	Compensated absences		463.54	615.03
	Others		77.96	102.07
			541.50	717.10

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

		As at 31.03.2015	As at 31.03.2014
	Other provisions		
	Provision for estimated loss on interest rate swap contracts	456.21	630.43
	TOTAL	**997.71**	1,347.53
9	**SHORT-TERM BORROWINGS**		
	Secured borrowings		
	Short term loans from banks	-	2,491.73
	Other loans	528.74	-
		528.74	2,491.73
	During the year, in Joint Venture DGCX, has taken loan from Dubai Multi Commodity Center carries interest at 2.75 BPS plus EIBOR rate.		
	In Previous Year 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.		
10	**TRADE PAYABLES**		
	Other than acceptances	3,434.06	5,626.60
	TOTAL	**3,434.06**	5,626.60
11	**OTHER CURRENT LIABILITIES**		
	Current maturities of secured long-term borrowings [Refer Note 5 (a)]	-	153.27
	Interest accrued but not due on borrowings	221.04	223.38
	Income received in advance / unearned revenue	3,723.25	7,487.67
	Unclaimed dividend*	88.46	87.12
	Other payables :		
	Statutory remittances	2,334.20	2,786.25
	Payables on purchase of fixed assets	13.31	81.97
	Payable to employees and Contractual obligations	4,040.87	3,389.04
	Members liabilities (Refer Note 51 and 59)	24,199.12	20,104.05
	Advances from customers	6,360.48	4,515.78
	Security deposits	493.22	494.22
	Others	1,505.04	790.62
	TOTAL	**42,978.99**	40,113.37
	**No amount due and outstanding to be credited to Investor Education and Protection Fund*		
12	**SHORT-TERM PROVISIONS**		
	Provision for employee benefits		
	Compensated absences	131.25	297.90
	Gratuity (Refer Note 40)	304.79	195.35
	Others	596.22	450.80
		1,032.26	944.05
	Other provisions		
	For taxation (net of advance tax there against)	3.29	28.34
	Proposed dividend (including tax)	2,772.96	1,078.19
		2,776.25	1,106.53
	TOTAL	**3,808.51**	2,050.58

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

13 FIXED ASSETS

(₹ lacs)

Particulars	GROSS BLOCK						DEPRECIATION / AMORTISATION					NET BLOCK	
	Cost as at 01.04.2014		Additions during the year	Other Adjustments [Refer footnote (ii)]	Deletion/ Adjustments	Cost as at 31.03.2015	Upto 31.03.2014	For the year	Other Adjustments [Refer footnote (ii)]	Deletions/ Adjustments	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
(A) Tangible Assets													
Freehold Land	5,202.05		-	-	535.44	4,666.61	-	-	-	-	-	4,666.61	5,202.05
	(5,202.05)		(-)	(-)	(-)	(5,202.05)	(-)	(-)	(-)	(-)	(-)	(5,202.05)	(5,202.05)
Leasehold Land	356.42		-	-	356.42	0.00	6.73	-	-	6.73	-	0.00	349.69
	(336.06)		(20.36)	(-)	(-)	(356.41)	(3.30)	(3.43)	(-)	(-)	(6.73)	(349.68)	(332.77)
Buildings	33,313.79	#	-	-	2,907.00	30,406.80	1,655.95	495.29	-	68.76	2,082.49	28,324.31	31,657.84
	(30,649.03)	#	(2,664.80)	(-)	(0.03)	(33,313.79)	(1,146.01)	(509.94)	(-)	(-)	(1,655.95)	(31,657.84)	(29,503.02)
Improvement To Leasehold Premises	757.31		-	12.62	263.41	506.52	562.97	29.39	12.62	140.19	464.78	41.73	194.35
	(1,140.04)		(85.04)	(91.93)	(559.70)	(757.31)	(868.34)	(129.19)	(71.61)	(506.18)	(562.96)	(194.35)	(271.69)
Computer Hardware	5,359.94		512.10	-	517.63	5,354.41	2,594.32	1,023.36	-	433.07	3,184.61	2,169.80	2,765.62
	(6,101.42)		(527.16)	(253.81)	(1,522.45)	(5,359.94)	(2,550.98)	(1,337.49)	(150.37)	(1,444.52)	(2,594.32)	(2,765.62)	(3,550.44)
Equipment [Refer footnote (i)]	9,791.41		229.00	101.81	737.94	9,384.28	3,461.61	1,843.41	75.08	130.11	5,249.99	4,134.29	6,329.80
	(9,527.79)		(510.19)	(146.71)	(393.28)	(9,791.41)	(2,692.53)	(970.21)	(89.07)	(290.20)	(3,461.71)	(6,329.71)	(6,835.28)
Furniture and Fixtures	5,195.22		3.18	10.64	98.81	5,110.23	1,243.17	662.26	8.24	45.64	1,868.04	3,242.19	3,952.05
	(5,938.42)		(53.01)	(105.48)	(901.69)	(5,195.22)	(1,284.27)	(532.73)	(65.31)	(639.14)	(1,243.17)	(3,952.05)	(4,654.15)
Vehicles	828.01		192.15	-	286.22	733.94	246.56	84.24	-	143.81	187.00	546.94	581.45
	(835.26)		(157.59)	(-)	(164.84)	(828.01)	(192.72)	(106.42)	(-)	(52.58)	(246.56)	(581.45)	(642.54)
TOTAL	**60,804.15**		**936.43**	**125.06**	**5,702.87**	**56,162.78**	**9,771.31**	**4,137.96**	**95.94**	**968.30**	**13,036.92**	**43,125.87**	**51,032.84**
Previous Year	(59,730.07)		(4,018.15)	(597.92)	(3,542.00)	(60,804.15)	(8,738.15)	(3,589.41)	(376.36)	(2,932.61)	(9,771.31)	(51,032.84)	(50,991.95)
(B) Intangible Assets													
(Other than internally generated)													
Trade Mark	26.31		-	-	1.12	25.19	16.70	3.66	-	0.85	19.52	5.68	9.61
	(32.53)		(-)	(-)	(6.22)	(26.31)	(17.06)	(3.95)	(-)	(4.31)	(16.70)	(9.61)	(15.47)
Technical Knowhow	14.33		-	-	-	14.33	9.59	-	-	-	9.59	4.74	4.74
	(14.33)		(-)	(-)	(-)	(14.33)	(9.59)	(-)	(-)	(-)	(9.59)	(4.74)	(4.74)
Computer Software	2,863.65		788.56	77.56	127.02	3,602.75	1,132.56	354.51	57.00	252.41	1,177.67	2,425.08	1,731.09
	(2,998.61)		(1,903.75)	130.07	(2,168.50)	(2,863.93)	(2,628.80)	(606.61)	(-2297.61)	(4,365.51)	(1,167.54)	(1,696.39)	(369.81)
TOTAL	**2,904.29**		**788.56**	**77.56**	**128.14**	**3,642.27**	**1,158.85**	**358.18**	**57.00**	**253.25**	**1,206.77**	**2,435.50**	**1,745.44**
Previous Year	(3,045.48)		(1,903.75)	(130.07)	(2,174.72)	(2,904.57)	(2,655.44)	(575.89)	(-2,297.61)	(4,369.81)	(1,159.14)	(1,745.44)	(390.03)
Capital Work-in-Progress												**1.80**	439.03
TOTAL												**45,563.17**	53,217.31

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

Notes:

(i)Equipment includes “office equipment, networking equipment, fumigation & laboratory equipment and electrical installation”.

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

(iii) Previous Year figures are in brackets.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

14 NON - CURRENT INVESTMENTS	As at 31.03.2015	As at 31.03.2014
Long-term Investments (fully paid up, valued at cost)		
a) In equity shares of other Companies		
Quoted	0.88	0.88
Unquoted	625.99	39.90
	626.87	40.78
b) In Government and Trust Securities (Unquoted)	100.20	105.77
[Includes Nil (Previous Year ₹ 5.91 lacs) pledged with APMC and sales tax authority]		
c) In Debentures and Bonds:		
Quoted	50,860.00	-
Unquoted	-	7,500.00
	50,860.00	7,500.00
d) In units of mutual funds (Unquoted)	-	500.00
	51,587.07	8,146.55
Aggregate amount of quoted investments	50,860.88	0.88
Aggregate amount of unquoted investments	726.19	8,145.67

15 LONG-TERM LOANS AND ADVANCES	As at 31.03.2015	As at 31.03.2014
Unsecured, considered good		
Capital advances	3,011.96	4,346.85
Security deposits	67.93	260.51
Loans and advances to employees	93.82	157.79
Loans related to NBFC activities	75.66	94.41
Prepaid expenses	231.26	334.30
Balances with government authorities	407.79	155.29
Advances for supply of goods and services	0.25	7.87
Taxes paid less provision there against (other than deferred tax)	8,427.54	7,839.40
MAT credit entitlement	19,270.02	9,188.82
TOTAL	**31,586.23**	22,385.24

16 OTHER NON-CURRENT ASSETS		As at 31.03.2015	As at 31.03.2014
Unamortised ancillary borrowing costs		249.19	474.21
Interest accrued on bank deposits		7.22	9.94
Interest accrued on investments		-	0.44
Unamortisation Premium on purchase of bonds		2,324.95	-
Assets held for Sale		-	100.11
Deposits with banks		41.22	333.70
Other Receivables			
Considered good	3,844.64		4,141.60
Considered doubtful	3,833.74		1,380.53
Less: Provision for doubtful loans and advances	(3,833.74)	3,844.64	(1,380.53)
TOTAL		**6,467.22**	5,060.00

17 CURRENT INVESTMENTS	As at 31.03.2015	As at 31.03.2014
(A) Current portion of long-term investments (at cost):		
In Debentures and Bonds (Unquoted)	3,477.27	450.00
In units of mutual funds (Unquoted)	532.25	14,305.76
TOTAL CURRENT PORTION OF LONG - TERM INVESTMENTS (A)	**4,009.52**	14,755.76

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

	As at 31.03.2015	As at 31.03.2014
B) Other current investments (fully paid up, valued at lower of cost and fair value)		
In equity shares of associate companies (Refer Note 43 and 45)		
Unquoted	-	7,050.72
	-	7,050.72
In equity shares of other Companies		
Quoted	-	31,020.13
Unquoted	8,659.32	4,880.04
	8,659.32	35,900.17
In Government Securities (Unquoted)	-	1.55
In units of mutual funds (Unquoted)	136,555.53	45,171.08
TOTAL OTHER CURRENT INVESTMENTS (B)	**145,214.85**	88,123.52
C) In warrants (Unquoted) (Refer Note 44))	-	5,624.60
TOTAL CURRENT INVESTMENTS (A+B+C)	**149,224.37**	108,503.88
Aggregate amount of quoted investments	**-**	31,020.13
Aggregate Market value of listed and quoted investments	-	64,985.18
Aggregate amount of unquoted investments	149,224.37	77,483.75
Aggregate provision for diminution (write down) in the value of other current investments	92.84	92.84
18 INVENTORIES (Valued at lower of cost and net realisable value)		
Stores and spares	-	225.93
Finished goods (comprising traded goods and goods for procurement services)	639.94	5,335.58
TOTAL	**639.94**	5,561.51
19 TRADE RECEIVABLES		
Unsecured, considered good unless stated otherwise		
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Considered good	1,521.41	1,890.31
Considered doubtful	2,242.27	2,223.59
Less: Provision for doubtful trade receivables	(2,194.36)	(1,825.71)
	1,569.32	2,288.19
Other trade receivables		
Considered good	2,817.87	11,316.95
Considered doubtful	(3.14)	162.12
Less: Provision for doubtful trade receivables	-	(161.50)
	2,814.73	11,317.57
TOTAL	**4,384.05**	13,605.76
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	0.70	2.86
Cheques on hand	-	61.02
Balances with banks		
In current accounts	10,763.89	54,173.00
In deposit accounts with original maturity of less than 3 months	22,366.72	1,401.09
In earmarked accounts		
In current accounts	576.37	37.56
In deposit accounts with original maturity of less than 3 months	2,041.72	2,543.65
	35,749.40	58,219.18

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

			As at 31.03.2015	As at 31.03.2014
	Other Bank Balances			
	In deposit accounts with original maturity of more than 12 months		4,963.02	2,193.60
	In deposit accounts with original maturity of more than 3 months but less than 12 months		11,563.68	18,031.41
	[Includes ₹ 12.00 lacs (Previous Year: ₹ 2,602.21 lacs) under lien with bank against bank guarantees and cash credit facilities]			
	Deposits from members relating to Settlement Guarantee Fund		1,130.81	-
	In earmarked accounts			
	Unpaid dividend accounts		88.46	87.12
			17,745.97	20,312.13
		TOTAL	**53,495.37**	78,531.31
21	**SHORT-TERM LOANS AND ADVANCES**			
	Unsecured, considered good unless stated otherwise			
	Security deposits			
	Considered good		30.60	592.08
	Considered doubtful		12.14	27.25
	Less: Provision for doubtful deposits		(12.14)	(27.25)
			30.60	592.08
	Loans and advances to employees			
	Considered good		40.35	163.50
	Considered doubtful		-	0.60
	Less: Provision for doubtful loans and advances		-	(0.60)
			40.35	163.50
	Loans related to NBFC activities		1,248.87	1,363.51
	Prepaid expenses		929.21	1,560.42
	Balances with government authorities		1,392.26	1,322.55
	Taxes paid less provision there against (other than deferred tax)		1,361.25	3,706.13
	MAT credit entitlement		-	155.52
	Other Receivables		11.96	-
	Advances for supply of goods and services			
	Considered good		28,238.85	29,889.22
	Considered doubtful		0.40	14.67
	Less: Provision for doubtful advances		(0.40)	(14.67)
			28,238.85	29,889.22
		TOTAL	**33,253.35**	38,752.93
22	**OTHER CURRENT ASSETS**			
	Unbilled revenue		517.10	82.18
	Unamortised ancillary borrowing costs		225.01	224.40
	Interest accrued on bank deposits		416.61	192.31
	Interest accrued on investments		1,406.05	259.07
	Interest receivable on income-tax refund		-	0.82
	Receivable on sale of investments		2,375.37	-
	Unamortisation Premium on purchase of bonds		179.61	-
	Amount in escrow account with bank for sale of Investment		5,861.22	14,802.12
	Contractually reimbursable expenses (Refer Note No 61)			
	Considered good	6,626.65		6,808.35
	Considered doubtful	455.28		455.28
	Less: Provision for doubtful loans and advances	(455.28)		(455.28)
			6,626.65	6,808.35

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

		As at 31.03.2015	As at 31.03.2014
	Rent receivable	-	199.64
	Other receivables	2,282.81	1,749.68
	TOTAL	**19,890.43**	24,318.57

		Year Ended 31.03.2015	Year Ended 31.03.2014
23	**REVENUE FROM OPERATIONS**		
	Income from software products (IPR based license)	4,818.24	7,321.34
	Income from software services (Project based)	10,621.63	17,709.07
	Storage and allied services	-	13,996.43
	Income from procurement services (Refer Note 49)	(68.04)	(5.30)
	Membership admission fees	316.80	311.99
	Annual subscription fees	20.90	164.58
	Delivery fees	-	25.31
	Transaction fees	1,181.80	2,143.90
	Service charges [Refer Note 2(K)(h)]	3,849.84	14,035.91
	Sale of traded goods		
	Computer hardware	2.71	23.05
	Computer software	3.43	3.59
		6.14	26.64
	Other operating revenues		
	Business support services	15.00	329.94
	Income relating to NBFC activities	179.17	197.95
	Others	9.02	535.68
	TOTAL	**20,950.50**	56,793.44
24	**OTHER INCOME**		
	Interest income on		
	On bank deposits	1,295.20	1,464.69
	On long-term investments	1,608.78	759.01
	On income- tax refund	0.07	2.60
	Others	193.76	198.54
		3,097.81	2,424.84
	Dividend income from		
	Long-term investments	2,491.19	-
	Current investments	2,191.82	1,322.57
		4,683.01	1,322.57
	Profit on sale of investments (net)		
	Long-term investments	1.69	4,124.28
	Current investments	8,340.11	3,866.90
		8,341.80	7,991.18
	Profit from derivatives on commodity futures / hedging (net)	-	703.22
	Provision for expenses no longer required written back	94.04	403.05
	Profit on sale of fixed assets	-	8.05
	Advances received written back	142.27	-
	Other non-operating income		
	Rental income from operating leases (Refer Note 32 b)	745.71	1,027.01
	Miscellaneous Income	190.93	276.23
	TOTAL	**17,295.57**	14,156.15

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

		Year Ended 31.03.2015	Year Ended 31.03.2014
25	**PURCHASES OF STOCK-IN-TRADE**		
	Computer hardware	0.53	11.60
	Computer software	1.65	2.77
	TOTAL	**2.18**	14.37
26	**CHANGES IN INVENTORY OF STOCK-IN-TRADE**		
	Inventories at the beginning of the year- traded goods	13.00	11.81
	Inventories at the end of the year- traded goods	12.57	13.00
	TOTAL	**0.43**	(1.19)
27	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries and wages	15,352.44	22,455.36
	Contribution to provident fund and other funds (Refer Note 40)	874.62	570.60
	Gratuity	35.84	75.89
	Expenses on employee stock option (ESOP) schemes (Refer Note 39)	574.00	-
	Staff welfare expenses	343.20	500.62
	TOTAL	**17,180.10**	23,602.47
28	**FINANCE COSTS**		
	Interest expense on:		
	Borrowings	2,563.32	6,431.81
	Delayed payment of tax	9.97	9.60
	Other borrowing costs:		
	(Reversal of provision) / provision for estimated loss on interest rate swap contracts	(174.22)	(469.23)
	Amortisation of ancillary borrowing costs	230.41	2,144.14
	Others	4.69	60.63
	TOTAL	**2,634.17**	8,176.96
29	**DEPRECIATION AND AMORTISATION EXPENSE**		
	Depreciation of tangible assets	4,137.96	3,589.41
	Amortisation of intangible assets	358.18	575.89
	Amortisation of consumables	-	130.54
		4,496.14	4,295.84
30	**OTHER EXPENSES**		
	Electricity	563.33	669.86
	Rent (Refer Note 32 (a))	340.35	7,662.59
	Repairs and maintenance- buildings	22.87	19.83
	Repairs and maintenance- others	665.64	800.47
	Insurance	129.97	493.19
	Rates and taxes, excluding taxes on income	324.04	169.65
	Travelling and conveyance	568.87	926.58
	Communication expenses	991.96	1,233.41
	Legal and professional charges (Refer Note 37)	10,272.62	9,206.22
	Software development expenses and license fees	1,057.15	1,619.76
	Stores, spares, consumables and packing materials	-	601.22
	Advertisement and Business promotion / development expenses	1,180.40	2,261.52
	Office expenses	385.62	98.08

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(₹ lacs)

	Year Ended 31.03.2015	Year Ended 31.03.2014
Brokerage and commission charges	404.12	872.24
Loss on disposal/write off of fixed assets (net)	168.43	242.18
Data feed expenses	1,005.93	1,051.38
Security charges	152.31	526.77
Bad trade receivables / advances written off	311.08	3,911.92
Less: Provision held	(170.37)	(510.73)
	140.71	3,401.19
Provision for doubtful trade receivables / advances	3,104.25	1,585.38
Labour charges	97.49	1,337.41
Software support charges	976.46	489.08
Exchange rate fluctuations (net)	2,119.70	3,671.25
Write down in value of current investments (net)	2,687.19	534.75
CSR related Expenses	537.26	-
Donation	353.29	289.94
Provision for commission to non-executive directors	200.00	166.00
Miscellaneous expenses	1,833.48	4,357.57
TOTAL	**30,283.44**	44,287.52

(₹ lacs)

31 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR):	Current Year	Previous Year
(A) Contingent liabilities:		
1 Claims not acknowledged as debt		
(a) Income tax demands against which the Group is in appeal [(including adjustable against Securities Premium account ₹6,511.11 lacs (Previous Year ₹ 4,971,.06 lacs)]#	8,500.19	7,083.31
(b) MVAT, Service tax and excise dues contested by the Parent Company.	541.44	481.94
(c) Sales tax demand of subsidiaries##	3,808.25	49,405.12
(d) Others	-	549.31
(e) Refer Note 53 for the parent company and refer note 75 and 76 for NSEL and its subsidiaries for pending writ petitions, public interest litigations, civil suits and First Information Report.		
2 Corporate guarantees given by subsidiaries	97.87	127.31
Future cash outflows in respect of the above matters are determinable only on receipt of judgements / decisions pending at various forums / authorities.		
(B) Capital and other commitments:		
1 Estimated amount of contracts to be executed on capital account and not provided for (net of advances)	129.06	91.71
	13,076.81	57,738.70

2 For commitments relating to lease arrangements, see Note 32(a) and for derivative contracts, see Note 35.

Note of Contingent liabilities:

#The Income Tax Department had carried out a special audit of NSEL & IBMA under section 142 (2A) of the Income tax Act 1961 for AY 2011-12 and from AY 2008-09 to 2011-12 respectively. Addition of ₹ 894.77 lacs resulted in reduction in carried forward losses in NSEL and ₹ 305.25 lacs resulting in a demand of ₹ 108.39 lacs in IBMA. As the matter is currently under appeal before Commissioner of Income Tax (Appeals), Mumbai hence, disclosed as contingent liability.

Includes ₹ 3,298.70 lacs (Previous year ₹ 43,828.73 lacs) pertaining to IBMA, for purchases as an agent for Member/ Clients of IBMA and ₹ 509.55 lacs (Previous year ₹ 509.55 lacs) for purchases for own merchandise activities of IBMA.

In a Group Company viz, BABL One of the employees has filed a case with district labour office for unfair retrenchment. The matter is pending in the court.

In FTGIPL, is subject to claim of MUR 100m (equivalent to USD 2.9m) from a former employee for an alleged unfair dismissal. Based on legal advices,the directors consider that this claim has no merit and consequently no provision id required in FTGIPL.

32 OPERATING LEASES

(a) The Group has entered into various cancellable and non cancellable operating lease agreements for various premises having average lease term of 6 months to 60 months. The lease rentals recognised in the statement of profit and loss during the year and 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’)	497.26	1,171.11
Obligations on non-cancellable leases		
Not later than one year	151.44	1,178.52
Later than one year and not later than five years	-	1,817.57
Later than five years	-	111.63
Sublease Income (included in Note 23 'Storage and allied services')	-	7.33

(b) The Group has entered into operating lease agreements as a lessor for various premises ranging from 2 months to 60 months. The lease rentals recognised as income in the statement of profit and loss during the year and the future minimum lease payments under non-cancellable operating lease are as follows:

(₹ lacs)

PARTICULARS	Current Year	Previous Year
Lease Income		
Lease rentals	627.06	1,027.02
(Refer Note 24 ‘Rental income from operating leases’)		
Receivables on non-cancellable leases		
Not later than one year	1,636.67	735.04
Later than one year and not later than five years	1,333.11	1,271.60
Later than five years	-	-
Fixed Assets		
Gross Carrying amount of leased assets	11,924.57	11,924.57
Accumulated depreciation	859.58	665.21
Depreciation recognised	194.37	194.37

33 The particulars of investment in associates as of March 31, 2015 are as follows:
The capital reserve and carrying amount of investment in associates as at March 31, 2015 is as follows (Refer Note 44 & 45)

(₹ lacs)

NAME OF THE ASSOCIATES	Original Cost	Capital Reserve	Carrying Amount
Indian Energy Exchange Ltd. (IEX) (Associate up to May 13, 2014)	777.55	1,092.61	7,046.06
	(777.55)	(1,092.61)	(7,046.06)
SME Exchange Ltd (SME) (Under Liquidation)	4.90	-	4.54
	(4.90)	(-)	(4.66)

Previous year figures are given in brackets.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

34 JOINT VENTURE DISCLOSURE

Name of the Entity : Dubai Gold and Commodities Exchange DMCC ('DGCX')
Country of Incorporation : United Arab Emirates
% Holding : 27.25% (Previous Year 27.25%)

Held by the Parent Company 12.95% and FTGIPL 14.30%: (Previous Year 12.95% and 14.30% respectively)

(a) Group's share of interest in the assets, liabilities, income and expenses and contingent liabilities and commitments with respect to JCE (each without eliminations of the effects of transactions between the Group and JCE) on the basis of unaudited financial statements of the JCE as at and for the year ended March 31, 2015:

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	2,353.47
	(2,224.24)
2. Current Assets	
a) Trade receivables	289.31
	(208.58)
b) Cash and cash equivalents	16,808.79
	(16,379.67)
c) Short term loans and advances	74.11
	(62.11)
II. Liabilities	
1. Trade payables	382.41
	(426.31)
2. Other Current Liabilities	19,853.32
	(15,436.92)
3. Provisions	596.22
	(450.80)
III. Income	
1. Admission Fees	238.65
	(142.58)
2. Transaction Fees	1,153.84
	(1,354.32)
3. Interest Income	294.16
	(208.01)
4. Other Income	78.89
	(55.29)
IV. Expenses	
1. Employee benefits expense	1,186.98
	(1,016.28)
2. Depreciation and amortisation expense	339.27
	(248.37)
3. Other expenses	1,468.09
	(1,312.54)

Previous year figures are given in brackets.

(b) The movement in Groups share of post-acquisition reserves of jointly controlled entity is as follows:

(₹ lacs)

PARTICULARS	Current Year	Previous Year
Proportionate Reserves and Surplus as at the beginning of the year	(5,484.73)	(6,052.61)
Proportionate deficit in statement of profit and loss for the year	(1,234.84)	(816.99)
Movement in Translation Reserve	(256.48)	1,384.88
Proportionate Reserves and Surplus as at the end of the year	(6,976.06)	(5,484.73)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

35 DERIVATIVE INSTRUMENTS OUTSTANDING AS AT THE BALANCE SHEET DATE

(₹ lacs)

NATURE OF CONTRACT	Currency	Loan amount in foreign currency	
		31.03.2015	31.03.2014
Interest rate swap contracts (floating to fixed)	USD	747.73*	764.5*

* Principal amount of loan covered under contracts.

36 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)	42,671.68	86,950.75
	Less: Adjustment for stock options of associate company	-	282.12
	Net profit for the year for Diluted EPS (₹ lacs)	42,671.68	86,668.63
(b)	Weighted average number of equity shares		
	Basic	46,078,537	46,078,537
	Add: Effect of dilutive stock options	146,267	-
	Diluted	46,224,804	46,078,537
(c)	Basic earnings per share	92.61	188.70
(d)	Diluted earnings per share (₹)	92.31	188.09
(e)	Face value ₹ per share	2/-	2/-

37 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	107.06	143.87
For limited reviews	12.00	11.00
For taxation matters	14.94	14.19
For other services	33.66	16.60
Reimbursement of expenses	2.28	1.60
Total	**169.94**	187.26

38 RELATED PARTY DISCLOSURE

I Names of related parties and nature of relationship:

(a) Associate Companies

1. Multi Commodity Exchange of India Ltd. (MCX) (upto December 25, 2013, Refer Note 43)
2. Indian Energy Exchange Ltd. (IEX) (upto May 13, 2014, Refer Note 45)
3. MCX-SX Clearing Corporation Ltd. (MCXSX-CCL) (upto March 18, 2014, Refer Note 44)
4. SME Exchange of India Limited (SME) (Under Liquidation)

(b) Joint Venture

Dubai Gold and Commodities Exchange DMCC (DGCX)

(c) Key Management Personnel

1.	Mr. Jignesh Shah*	:	Chairman and Managing director (upto November 20, 2014)
2.	Mr. Dewang Neralla	:	Whole time director (upto November 20, 2014)
3.	Mr. Manjay Shah*	:	Whole time director (upto November 20, 2014)
4.	Mr. Prashant Desai	:	Whole time director (w.e.f. November 6, 2014 ,
		:	Managing director & Chief Executive Officer (w.e.f. November 21, 2014)
5.	Mr. Rajendra Mehta	:	Whole time director (w.e.f. November 21, 2014)
6.	Mr. Jigish Sonagra	:	Whole time director (w.e.f. November 21, 2014)
7.	Mr. Devendra Agrawal	:	Chief Financial Officer (w.e.f. November 5, 2014)
8.	Mr. Hariraj Chouhan	:	Company secretary (w.e.f. November 5, 2014)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

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

Mr. Jignesh Shah and Mr Manjay Shah are brothers.

(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	-	40.83
2.	**Income from software services (Project based)**		
	- MCX	-	5,473.89
	- IEX	214.60	1,917.59
3.	**Service charges**		
	- MCX	-	955.78
	- IEX	-	2.64
4.	**IT Infrastructure sharing Income**		
	- MCX	-	566.69
5.	**Other Operating revenue**		
	a) Business Support Services		
	- MCX	-	175.00
	b) Others		
	- MCX	-	16.03
6.	**Recoveries charged by the Group towards expenses:**		
	- MCX	-	172.00
	- IEX	-	24.39
	- MCX-SX CCL	-	1.46
7.	**Reimbursement of expenses charged to the Group:**		
	- MCX	-	31.45
	- IEX	-	0.30
	- MCX-SX CCL	-	0.22
8.	**Purchase of Tangible Assets**		
	- MCX	-	88.41
9.	**Advances as at the close of the year:**		
	- IEX	-	2.16
10.	**Income received in advance / Unearned Revenue:**		
	- IEX	-	138.67
11.	**Trade receivables**		
	- MCX	-	69.83
	- IEX	-	43.47
12.	**Dividend received**		
	- MCX	-	2,519.32
	- IEX	-	274.21

Note:

The Parent Company has identified Key Managerial Personnel (KMP) of the reporting enterprise as the KMP of the Group.

*In respect of MCX, transactions are reported upto December 31, 2013 and In respect of IEX, transactions are reported upto May 13, 2014.

(III) Transactions with Key Managerial Personnel (KMP), relatives of KMP and Entity over which KMP and relative of KMP can exercise significant influence:

(₹ lacs)

Sr. No.	NATURE OF TRANSACTIONS	KMP	Relatives of KMP	Entity over which the KMP and relative of KMP can exercise significant influence-La-Fin	Total
1.	Salary and Allowances	1,719.58	-	-	1,719.58
		(1,283.55)	(-)	(-)	(1,283.55)
2.	Dividend paid during the year	339.06	9.16*	493.20	841.42
		(677.35)	(18.39)*	(986.40)	(1,682.14)
3.	Salary and Allowance payable as at the end of the year	1,000.00	-	-	1,000.00
		(450.00)	(-)	-	(450.00)

*Represents payments to Mrs. Rupal J. Shah, Mr. Manish P. Shah, Mrs. Pushpa P. Shah, Mr. Prakash B. Shah, Mrs. Bina M. Shah, Mrs. Tejal M. Shah, Mr. Mandar Neralla and Ms. Nakshi Manish Shah.

(IV) Transactions with Individuals owning, directly or indirectly, an interest in the voting power that gives control or significant influence, and relatives of any such individuals (w.e.f. November 21, 2014)

(₹ lacs)

Sr. No.	NATURE OF TRANSACTIONS	Individual Jignesh Shah	Relative of KMP	Entity over which individual can exercise significant influence-La-fin	Total
1.	Salary and Allowances	-	101.11#	-	101.11
2.	Sale of Tangible Assets	8.45	6.45#	-	14.90
3.	Dividend	832.96	30.60*	1,233.00	2,096.56

#Represents to Mr. Manjay Shah

*Represents payments to Mrs. Rupal J. Shah, Mr. Manish P. Shah, Mrs. Pushpa P. Shah, Mr. Prakash B. Shah, Mrs. Bina M. Shah, Mrs. Tejal M. Shah, Mr. Manjay Shah and Ms. Nakshi Manish Shah.

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

(a) Key Managerial Personnel

(₹ lacs)

TRANSACTIONS DURING THE YEAR	Key Managerial Personnel
Salary and allowances	
Jignesh Shah (upto November 20, 2014)	637.38
	(748.80)
Dewang Neralla (upto November 20, 2014)	148.16
	(236.69)
Manjay Shah (upto November 20, 2014)	180.11
	(298.06)
Prashant Desai (w.e.f. November 7, 2014)	387.27
	(-)
Jigish Sonagara (w.e.f. November 21, 2014)	185.20
	(-)
Dividend paid	
Jignesh Shah (upto November 20, 2014)	333.18
	(666.37)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

39 STOCK BASED COMPENSATION

(a) During the financial year 2011-12, Remuneration and Compensation Committee of the Company had granted 900,000 Stock 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 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 September 25, 2009 & September 29, 2010 respectively.

During the financial year 2012-13, Remuneration and Compensation 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 1,86,630 Stock Options under the Employee Stock Option Schemes of which 74,350 options are granted under scheme-2009 and 1,12,280 options under scheme-2010 at a price of ₹ 807.70 to the eligible employees / Directors of the Company 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	March 05, 2013	74,350	807.70	05.03.2013-04.03.2014
(reissue of lapsed / cancelled options)			807.70	05.03.2013-04.03.2015
			807.70	05.03.2013-04.03.2016
ESOP 2010	March 05, 2013	112,280	807.70	05.03.2013-04.03.2014
(reissue of lapsed / cancelled options)			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 was 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 instalments of 20%, 30% and 50% at the end of 1st year, 2nd year and 3rd year respectively from the date of the grant and were to be exercised within three months from vesting of options or as may be determined by the Remuneration and Compensation Committee. During the year, Remuneration and Compensation Committee of the Company has approved the modification of exercise period of 3 months from date of vest to three years from the date of vest (hereinafter referred as Modification 1). As approved by the Shareholders at the Annual General Meeting of the Company held on September 23, 2014, the Remuneration and Compensation Committee of the Company at their meeting held on October 01, 2014 has approved the modification of exercise price from ₹ 770.00 to ₹ 167.00 for grant dated March 14, 2012 and from ₹ 807.70 to ₹ 167.00 for grant dated March 05, 2013 (hereinafter referred as Modification 2). 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	614,495	603,406
	(892,500)	(880,955)
Options granted during the year	-	-
	(-)	(-)
Options exercised during the year	-	-
	(-)	(-)
Options lapsed / forfeited / cancelled during the year	70,485	107,713
	(278,005)	(277,549)
Options outstanding as at the year-end	544,010	495,693
	(614,495)	(603,406)
Options exercisable as at the year-end	512,907	464,546
	(219,261)	(209,611)

(b) The Company is following the intrinsic value-based method of accounting for stock option and accordingly has recognised ₹ 574.00 as expenses on employee stock option (ESOP) schemes in the Statement of Profit & Loss. Had the compensation cost of the Company's stock based compensation plans been determined as per fair value approach using Black & Scholes model :

(a) the incremental cost, in addition to the amount based on the grant date fair value of the stock options, for the year due to:

(i) Modification 1 would have been ₹ 2,671.73 lacs.
(ii) Modification 2 would have been ₹ 774.54 lacs.

(b) the Company's net profit for the year would have been lower by ₹ 3,168.74 lacs (Previous Year net loss would have been higher by ₹ 303.33 lacs).

(c) earnings per share for the year would have been lower and earnings (i.e. loss) per share for the previous year would have been higher as indicated below:

(₹ lacs)

PARTICULARS		Current Year	Previous Year
Net profit for the year (₹ lacs)		42,671.69	86,950.75
Less: Adjustment for stock options of associate company		-	282.12
Net profit for the year for Diluted EPS (₹ lacs)		42,671.69	86,668.63
Net profit for the year (₹ lacs)		42,671.69	86,950.75
Less: Total stock-based employee compensation expense determined under fair value based method		3,168.74	303.33
Adjusted net profit for basic & diluted EPS		39,502.95	84,662.24
Weighted average no. of shares	: Basic	46,078,537	46,078,537
	: Diluted	46,224,804	46,078,537
Basic and diluted earnings per share (face value ₹ 2/- per share)			
- As reported (in ₹)	: Basic	92.61	188.70
	: Diluted	92.31	188.09
- As adjusted (in ₹)	: Basic	85.73	187.43
	: Diluted	85.46	187.43

The details of pre modification and post modification values in respect of Modification 1 and Modification 2 are given below:

₹ per option

Sr. No.	Scheme Name	Grant Date	Fair value on date of grant	Fair value pre-Modification 1	Fair value post-Modification 1	Incremental value due to Modification 1	Fair value pre-Modification 2	Fair value post-Modification 2	Incremental value due to Modification 2	Total incremental value
1.	ESOP 2009 & ESOP 2010	14/03/2012	249.05	(136.64)	80.45	217.09	47.72	109.41	61.69	278.78
2.	ESOP 2009 & ESOP 2010	05/03/2013	238.67	(51.43)	104.27	155.70	62.12	139.71	77.59	233.29

Following parameters have been considered for calculating the weighted average fair value of each option using the Black-Scholes Option Pricing Formula:

(a) On the date of grant during F.Y. 2011-12 and reissue during F.Y. 2012-13

	ESOP 2009 & ESOP 2010	
PARTICULARS	Options granted during F.Y. 2011-12	Options granted during F.Y. 2012-13
(i) Expected volatility	42.18% to 45.94%	38.57% tom 39.27%
(ii) Option life	1.13 years to 3.13 years	1.13 years to 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%

The weighted average fair value of each option on the date of grant / reissue is ₹ 249.05 / ₹ 238.67 respectively for options granted in F.Y. 2011-12 and F.Y.2012-13 respectively.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(b) On the date of Modification 1

PARTICULARS	ESOP 2009 & ESOP 2010	
	Options granted during F.Y. 2011-12	**Options granted during F.Y. 2012-13**
(i) Expected volatility	99.32% to 123.68%	85.92% to 124.01%
(ii) Option life	1.30 years to 2.10 years	1.29 years to 3.08 years
(iii) Dividend yield	1.03%	1.03%
(iv) Risk-free interest rate	8.76%	8.76% to 8.77%

(c) On the date of Modification 2

PARTICULARS	ESOP 2009 & ESOP 2010	
	Options granted during F.Y. 2011-12	**Options granted during F.Y. 2012-13**
(i) Expected volatility	103.61% to 127.97%	88.00% to 128.51%
(ii) Option life	1.23 years to 1.95 years	1.21 years to 2.93 years
(iii) Dividend yield	1.03%	1.03%
(iv) Risk-free interest rate	8.69% to 8.71%	8.67% to 8.71%

(d) To allow for the effects of early exercise, it is assumed that the employees would exercise the options after vesting date.

(e) 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.

40 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 ₹ 874.62 lacs (Previous Year ₹ 570.60 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	1,211.38	1,497.64
Interest Cost	112.78	120.20
Current Service Cost	165.79	252.64
Benefits Paid	(374.40)	(224.76)
Cost of plan amendment / Liability Transfer In	17.96	(5.03)
Actuarial loss / (gain) on obligations	250.71	(258.59)
Obligation transferred / settled	-	-
Projected benefit obligation at the end of the year	**1,384.22**	1,382.10
II. Change in plan assets		
Fair Value of the plan asset at beginning of the year	1,033.29	1,152.57
Expected return on plan assets	96.20	99.43
Contributions	326.71	170.29
Benefits paid	(374.40)	(224.76)
Cost of plan amendment / Liability Transfer In	16.20	(5.09)
Actuarial gain on plan assets	(18.57)	(5.69)
Fair value of plan assets at the end of the year	**1,079.43**	1,186.75
Excess of obligation over plan assets	**304.79**	195.35

(₹ lacs)

PARTICULARS	Current Year	Previous Year
III. Gratuity expense for the year		
Current service cost	165.79	252.64
Interest cost	112.78	120.20
Expected return on plan assets	(96.20)	(99.43)
Net actuarial (gain) / loss recognized	269.28	(252.91)
TOTAL	**451.64**	20.50
IV. Actual return on plan assets	**77.63**	82.07
V. Category of Assets as at end of the year		
Insurer Managed Funds	1,079.43	1,186.75
Fund is managed by LIC of India as per IRDA guidelines, category wise composition of planned asset is not available		
TOTAL	**1,079.43**	1,186.75
VI. Assumptions		
Discount rate	7.96% to 9.31%	8.25% to 9.31%
Salary escalation rate	7.50%	7.50%
Expected rate of return on plan assets	7.96% to 9.31%	9.14% to 9.31%

VII. Experience adjustments	**2015**	**2014**	**2013**	**2012**	**2011**
Defined benefit obligation	1,384.22	1,382.10	1,497.64	1,202.49	1,018.19
Fair value of planned assets	1,079.43	1,185.23	1,152.57	966.91	805.21
Surplus / deficit	304.79	195.35	345.07	235.58	212.98
Experience adjustment on plan liabilities [(Gain)/Loss]	250.71	(258.59)	37.76	107.91	68.54
Experience adjustment on plan assets [Gain/(Loss)]	(18.57)	(5.69)	7.27	6.91	6.87

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 ₹ 337.54 lacs to the plan assets during financial year 2015-16.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

41 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	17,134.75	1,182.68	-	2,633.08	-	20,950.50
	(32,960.71)	(3,081.61)	(13,772.77)	(6,978.35)	(-)	(56,793.44)
Inter-segment revenue	340.78	625.55	-	1.20	967.53	-
	(565.34)	(7,533.38)	(99.62)	(8.42)	(8,206.76)	(-)
Net Sales/ Income from operations	17,475.53	1,808.23	-	2,634.28	967.53	20,950.50
	(33,526.05)	(10,614.99)	(13,872.39)	(6,986.77)	(8,206.76)	(56,793.44)
Segment result	1,846.83	-12,999.18	-16.46	-5,735.63	-8,955.06	-7,949.38
	(18,255.44)	(-26,626.32)	(7,019.26)	(-9,875.35)	(-14,497.5)	(3,270.53)
Add : Unallocable income						14,197.74
						(11,731.31)
Less: Unallocable expenses						23,062.39
						(18,676.12)
Less: Finance costs						2,634.17
						(8,176.96)
Add: Interest Income						3,097.81
						(2,424.84)
Profit / (Loss) before tax						49,280.75
						(85,009.95)
Less: Provision for taxation (including taxes in respect of earlier years and tax effect on exceptional item)						6,648.20
						(4,846.76)
Profit / (Loss) after tax before share of results of associates and minority interest						42,632.55
						(80,163.19)

Notes:

1. 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.
2. The reportable segments are described as follows :
   a) 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.

   b) 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.
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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

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	19,142.27	54,734.97
Outside India	1,808.23	2,058.47
TOTAL	**20,950.50**	56,793.44

42 The aggregate amount of revenue expenditure incurred during the year on Research and Development and shown in the respective heads of the account is ₹ 1401.83 lacs (Previous Year ₹ 1,221.90 lacs).

43. During the previous year, the Parent Company had received an order dated December 17, 2013 passed by the Forward Markets Commission (FMC) holding the Parent Company not a fit and proper person to continue to be a shareholder of 2% or more of the paid up equity capital of Multi-Commodity Exchange of India Ltd. (MCX). Further, FMC has issued revised norms regarding Shareholding, Ownership, Net worth, Fit and Proper Criteria, etc. on May 6, 2014 and has, inter alia, provided that no person shall, directly or indirectly, acquire or hold equity shares of a commodity exchange unless he is fit and proper person and in the event of any person ceasing to be a 'fit and proper person' or being declared so by the Commission, such person shall forthwith divest his shareholding.

The Parent Company has challenged the Order dated December 17, 2013 passed by the Forward Markets Commission (FMC) holding the Company not a fit and proper person to continue to be a shareholder of Multi-Commodity Exchange of India Ltd (MCX) by way of a Writ Petition before the Hon'ble Bombay High Court. On February 28, 2014, prayer for ad-interim relief was rejected but was pleased to admit the said Writ Petition. On November 17, 2014, the Hon'ble Bombay High Court rejected Notice of Motion filed by the Company due to change in circumstances for seeking stay on the FMC order. The Parent Company filed SLP on November 27, 2014 before the Hon'ble Supreme Court against order dated February 28, 2014 and November 17, 2014. On February 6, 2015 the Parent Company withdrew the SLP. The Writ Petition is pending for hearing before the Hon'ble Bombay High Court. Without prejudice to legal rights available within the law, the Parent Company has divested its stake in MCX during the year consequent profit of ₹ 55,303.33 lacs (Net of attributable expenses of ₹ 2,722.02 lacs) are grouped under in Exceptional items. The company's shareholding in MCX has become NIL.

44. During the Previous Year, SEBI has passed an Order on March 19, 2014 declaring the Parent Company not a 'Fit and Proper' person and directed the Parent Company to divest the equity shares or any instrument that provides for rights over the equity shares held by the Parent Company in MCX-SX, MCX-SX Clearing Corporation Limited (MCX-SX CCL), Delhi Stock Exchange Ltd (DSE), the Vadodara Stock Exchange Limited (VSE) and National Stock Exchange of India Limited (NSEIL). The Parent Company had filed an appeal in the Security Appellate Tribunal (SAT) against the said order which was rejected by SAT. The Parent Company has filed Civil Appeal before the Hon'ble Supreme Court challenging the SEBI order and SAT Order. The Hon'ble Supreme Court admitted the Civil Appeal and Civil Appeal is pending for hearing. Without prejudice to the legal rights and remedies available under the law, the Parent Company entered into Share and Warrant Purchase Agreements (SWPA)/ Warrant Purchase Agreements (WPA) with certain investors for sale of its 100% stake in stake in MCX Stock Exchange Ltd (MCX-SX) and resultant profit of ₹ 1,282.46 lacs (net of attributable expense of ₹ 1,665.66 lacs) is grouped under in Exceptional items. The Parent Company's shareholding in MCX-SX has become 'NIL'. In the meanwhile, the Parent Company has filed an appeal before the SAT against the Securities and Exchange Board of India (SEBI) order for rejecting Company's request for extension for divestment in recognized stock exchanges. The said matter is pending before SAT for hearing. The investment in the aforesaid entities are continued to be classified as current investment at the lower of cost and fair value. MCX-SX CCL is not considered as an associate company from the date of order i.e. March 19, 2014. According to the Management's view, on the basis of the information available including latest financial statements/ results and/or latest transactions carried out, the fair value of above investments exceeds the cost of the investments. In case of investments where the book value is less than the investment amount, the Parent Company has made appropriate provision for the same.

45. As per the Regulatory requirement under Central Electricity Regulatory Commission (Power Market) (CERC) Regulations 2010, the Parent Company had to reduce its holding in an associate company viz. Indian Energy Exchange Limited (IEX) to 25%. Accordingly, during the previous year, the Parent Company had divested part of its investments aggregating 1,364,787 equity shares of ₹ 10 each in IEX. The resulting profit of ₹ 5,893.57/- lacs (net of directly attributable expenses of ₹ 164.05 lacs) is grouped under in Exceptional items.

Subsequently, during the year, the Parent Company received communication from IEX vide its letter dated May 19, 2014 informing that CERC vide their order dated May 13, 2014 stated that the Parent Company cannot be considered as fit and proper person to hold the shares in power exchanges in view of FMC Order & SEBI Order and inter alia directed IEX a) to ensure that the Parent Company divests its entire shareholding from IEX by September 30, 2014, b) pending divestment of shares, the voting rights of the Parent Company shall stand extinguished and any corporate benefit in lieu of such shareholding shall be kept in abeyance or withheld by the exchange and c) IEX shall ensure that no nominee of the Parent Company is represented in the Board of IEX. The above directions of CERC were binding with immediate effect. The Parent Company had challenged the said CERC order before Appellate Tribunal for electricity. The Appellate Tribunal dismissed the appeal filed by the Parent

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

Company on February 4, 2015. On April 17, 2015 the Ld. Central Commission passed an order in Suo-Motu Petition No. SM/341/2013 inter alia directing FTIL to complete divestment of its shareholding in IEX by May 9, 2015. The Company filed Civil Appeal before Hon'ble Supreme Court challenging the CERC Order; Appellate Tribunal Order and Order dated April 17, 2015 which is pending for hearing. On May 8, 2015, the Hon'ble Supreme Court has issued notice in both the matters. Further, on May 19, 2015, Appellate Tribunal has granted time till June 18, 2015 for completing the divestment in IEX based on the application filled by the Company. IEX is not considered as an associate company from the date of order i.e. May 13, 2014.

Without prejudice to the legal rights and remedies available under the law, during the financial year, the Parent Company has entered into Share Purchase Agreement (SPA) with certain Investors for sale of entire 25.64% equity stake on a fully diluted basis in Indian Energy Exchange Ltd (IEX). The said transaction is subject to fulfillment of certain condition precedents. Post completion of the above said transaction, the Parent Company's shareholding in IEX will become 'NIL'.

In view of the aforesaid process of divestment and communication, the entire investment in IEX has been reclassified as current investment in other company from long term (non-current) investment in an associate company at carrying cost of Investment.

46 During the year, the Parent Company along with other shareholders entered into a share purchase agreement for sale of 100% equity shares of National Bulk Handling Corporation Limited (NBHC) to IVF Trustee Company Limited, which sale transaction was completed during the year and the resultant profit of ₹ 9,224.55 lacs (net of attributable expense of ₹ 2,491.80 lacs) is grouped under Exceptional items.

47 The Parent Company received letter from Financial Services Commission (FSC) in May, 2014 informing that FSC does not consider the Parent Company as fit & proper, pursuant to Section 23(3) of the Financial Services Act, 2007 of Mauritius and directed the Parent Company to dispose of its shareholding in Bourse Africa Limited, Mauritius. During the year, the Board of FT Group Investments Pvt. Ltd. Mauritius., ("FTGIPL"), a wholly owned subsidiary of the Company has entered into Share Purchase Agreement (SPA) for sale of 100% of its stake in Bourse Africa Limited, Mauritius (together with its wholly owned subsidiary Bourse Africa Clear Ltd.) to Continental Africa Holdings Limited (CAHL), Mauritius subject to certain conditions precedents including regulatory approvals. The shareholders of FTIL with 99.975% majority approved the said transaction on February 20, 2015.

48 During the previous year, Financial Technologies Singapore Pte. Ltd. (FTSPL), a wholly-owned subsidiary of the Parent Company, sold 100% of FTSPL's equity ownership in its wholly owned subsidiaries, Singapore Mercantile Exchange Pte. Ltd. (SMX) and Singapore Mercantile Exchange Clearing Corporation Pte. Ltd. (SMXCC), which had accumulated losses of USD 77.40 million as on January 31, 2014 (₹ 48,357.04 lacs), to ICE Singapore Holdings Pte. Ltd, an entity owned by Intercontinental Exchange Group, Inc. (ICE) for an amount of USD 150 million. The resultant profit is grouped under 'Net gain on sale of shares / warrants Investments' in Exceptional Items.

49 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.

(₹ lacs)

Sr. No.	PARTICULARS	Current Year	Previous Year
A.	Sale of traded goods	36,788.02	1,34,065.22
B.	Cost of goods sold	36,856.06	1,34,070.52
C.	Income from procurement services	(68.04)	(5.30)

50 Goodwill on consolidation includes amount aggregating ₹ 111.28 lacs (Previous Year ₹ 465.58 lacs) in respect of certain subsidiaries acquired in earlier years.

51 In BACL, deposits from members of USD 6,05,556 [equivalent to ₹379.02 lacs (Previous year ₹ 677.40 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.

52 A Group company FTME holds 20 % stake in Audit Control and Expertise Global Ltd, Audit Control and Enterprise Ltd and Commodity Risk Management technology Pte. Ltd. Total carrying cost of such investment included in non-current investments in equity shares is USD 5 million (equivalent to ₹ 3,129.54 lacs) [Previous Year USD 5 million (equivalent to ₹ 3,004.99 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

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. Anfre Soumah, Chairman of ACE to pay FTME USD 5 million along with the 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 the FTME. Pursuant to the award passed, FTME has initiated execution proceedings in Switzerland, England and France for enforcement of the award. FTME has attached of properties of Mr. Soumah (Chairman of ACE) in France and Switzerland which would be liquidated in due course. The value of the Group's investments in unquoted securities which are carried at cost less impairment was reassessed at the reporting date. The recoverable values of the investments were reassessed by the management based on the current market conditions. On reassessment of fair value, USD 39,96,985 (equivalent to ₹ 2,444.04 lacs) has been provided for in respect of stake in Audit Control and Expertise Global Ltd.

53 (a) During the Previous Year, Writ Petitions (WP), Public Interest Litigation (PIL), Civil Suits have been filed against the Parent Company in relation to NSEL event, wherein the Parent Company has been made a party in the Civil Suits and the WP. In the said proceedings certain reliefs have been claimed against the Parent Company, inter alia, on the ground that the Parent Company is the holding company of NSEL. These matters are pending before the Hon'ble Bombay High Court for adjudication. The Parent Company has denied all the claims and contentions in its reply. There is no privity of contract between FTIL and the Petitioners. Based on legal advice, the management is of the view that the parties who have filed the WP, PIL and Civil Suits would not be able to sustain any claim against the Parent Company. The matter is pending for hearing before the Hon'ble Bombay High Court.

(b) First Information Report (FIR) has been registered against various parties, including the Parent Company, with the Economic Offences Wing of the Mumbai Police (EOW) and Central Bureau of Investigation (CBI) in connection with the NSEL event. After investigation, EOW has filed charge-sheets on January 06, 2014, June 04, 2014 and August 04, 2014. It is pertinent to note that so far the Parent Company has not been named in the said charge-sheets. EOW investigation is in progress.

54 The Parent Company has received Draft Order of amalgamation of National Spot Exchange Limited (NSEL) with the Company under Section 396 (1) of the Companies Act, 1956 from Ministry of Corporate Affairs (MCA) on October 21, 2014. The Company has filed a Writ Petition before the Hon'ble Bombay High Court, interalia challenging the draft Order issued by the Ministry of Corporate Affairs, dated October 21, 2014, for proposed forced amalgamation of National Spot Exchange Limited with the Company. The Hon'ble High Court, Bombay, granted status quo in the said matter till February 4, 2015. On February 4,2015, the Hon'ble High Court passed order inter alia stating that:

a) the Parent Company and other parties mentioned in the Order may file their objections within 30 days and within 4 weeks thereafter Central Govt may pass appropriate order after giving brief hearing to all the interested parties.

b) it is further clarified that if any adverse order is passed by the Central Govt, then same shall not be notified for a period of two weeks after the order is communicated to the Company

c) the Central Govt may give brief hearing to the parties mentioned in Section 396 of the Companies Act 1956.

d) in view of the above, the order of the status quo passed by the Hon'ble High Court on November 27, 2014 is vacated.

e) notice of Motion by the Union of India and others is accordingly disposed off.

f) liberty is given to the parties to apply for a fixed date of hearing.

As per the above Order, the Company filed its objection with MCA. In meanwhile, MCA has filed Chamber Summons in March, 2015 seeking extension of time granted to the Central Government for considering 19,000 suggestions and objections received and to pass order thereto and to complete the procedure as contemplated u/s 396 of the Companies Act, 1956 till July 31,2015. The Hon'ble Bombay High Court has allowed said Chamber Summons filed by MCA.

55 The Union of India, Ministry of Corporate Affairs ("MCA"), has filed the Company Petition under Sections 397 and 398 read with Sections 388B, 388C, 401, 402, 403, 406 and 408 of the Companies Act, 1956 (the "Act") before the Principal Bench of the Company Law Board at New Delhi (the "CLB"). The Petition has been filed inter alia seeking removal and supersession of the Board of Directors of FTIL. The Company appeared before CLB protesting the action initiated by MCA. The matter is pending before CLB for consideration. No notice has yet been issued in the matter.

56 An FIR has been registered with the M.I.D.C Police station, District: Mumbai against the Parent Company and others on the basis of complaint filed by one Mr. Ketan Shah on the basis of a report dated April 21, 2014 of PricewaterhouseCoopers Private Limited (PwC), uploaded by Multi Commodity Exchange of India Ltd (MCX) on the website of BSE Ltd on May 26, 2014, purported to be a "Special Audit Report" on MCX at the direction of Forward Market Commission. The matter is under investigation by the police.

The Parent Company believes that the said FIR is misguided and misconceived based on information in PwC Report as the report is not an audit report since PwC being Private Ltd Parent Company is not an audit firm but provides advisory services. The alleged report was prepared by PwC based on a limited one-sided information without verifying the authenticity of the data, without following the procedure in accordance with generally accepted auditing standards or attestation standards and without taking any responsibility towards any person who acts in reliance of the contents of the Report. The Parent Company is exploring appropriate legal options regarding the said FIR.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

57 On February 28, 2015, the Chief Investigating Officer of the SIT, Economic Offences Wing, CB, CID, Mumbai ("EOW") issued a letter directing FTIL, inter alia, and "not to dispose of, alienate, encumber, part with possession of, or create any third party right, title, and/or interest in, to, upon or in respect of any of assets of FTIL, its subsidiaries, and its step down subsidiaries except for the payment of statutory dues, amounts for the preservation, maintenance and protection of their assets and wages and salaries under intimation to the Investigating agency and in the case of immovable properties, without the orders of the trial Court". The Parent Company is seeking legal advice on the aforesaid letter from EOW.

58 The Parent company has a total MAT credit entitlement of ₹ 19,270.02 lacs as at March 31, 2015 including recognition of ₹ 10,081.20 lacs during the year ended March 31, 2015. The management of the Company is confident that the Company will be able to utilize unexpired MAT entitlement in future projected years.

59 As per Section 135 of the Companies Act 2013, a corporate social responsibility (CSR) committee has been formed by the Company. The earmarked funds were transferred to a separate bank account and the same shall be utilized on activities which are specified in Schedule VII of the Companies Act, 2013.

Various updates and relevant notes relating to NSEL and its subsidiary companies: (Note No 60 to 79)

60 SETTLEMENT GUARANTEE FUND:

(i) SGF-MC balance as at March 31, 2015

NSEL has a separate Settlement Guarantee Fund, which is created out of Members' Contribution (SGF-MC) in respect of the activities carried out on the spot trading in various contracts on Exchange. The members are required to contribute to the fund in the form of security deposit and interest free margin money in the form of cash and non-cash, which forms part of the SGF-MC. The margin money was refundable, subject to adjustments, if any and exposure of members. The cash margin money forming part of SGF-MC was ₹ 3,746.09 lacs (Previous year ₹ 3746.09 lacs) (included in of Note 7 Other Long term Liabilities under Members liabilities & Note 11 on other current liabilities under members liabilities). NSEL had also collected non cash portion of the SGF-MC comprising of collaterals such as bank guarantees, securities and fixed deposits receipts received from the members amounting to ₹ NIL (Previous year ₹ 42.50 lacs).

The composition of SGF-MC as on March 31, 2015 was as under.

(₹ lacs)

INITIAL MARGIN	As at March 31,2015	As at March 31,2014
Cash Margin	3,746.09	3,746.09
Non Cash Margin- FDR	-	32.50
Non Cash Margin- Bank Guarantee	-	10.00
TOTAL	**3,746.09**	3,788.59

It is a practice in India among the Stock and Commodity Exchanges that SGF-MC consists of aforesaid 2 components viz. cash and non-cash, collected from the members as security deposit and margin money. Cash Component shall form part of liabilities in Balance Sheet. Non cash component is disclosed by way of "Notes to Accounts."

(ii) Utilization of SGF-MC during the year:

On July 31, 2013 Exchange suspended all the contracts except e-series and merged the delivery and settlement of all pending contracts. Members who did not settle their settlement liability on account of unsettled contracts, their Margin money were adjusted against their settlement liability. Net liability of such members as at March 31, 2015 was ₹ 5,331.54 Crores.

Cash margin shown in note no. 60(i) above with exchange as on March 31, 2015 was ₹ 3,746.09 lacs. This margin money belongs to non-defaulting members. However utilized the said cash margin for payouts to other members when payment default occurred during the year by defaulting members.

(iii) The SGF-MC currently shows a net outstanding amount of ₹ 3,746.09 lacs (Previous year ₹ 3,746.09 lacs) which is pertaining to the existing non-defaulting clearing Members. While the exchange has taken many legal, regulatory and commercials measures against the defaulters, it is not clear how much money would be eventually recovered and by when, as the entire process is sub-judice. In case the Exchange fails to secure the balance money or there is undue delay in recovery then the exchange would as per the bye laws call for the balance amount as may be considered appropriate to be recovered from the all non-defaulting clearing members as per its bye law number 12.9.2 and 12.10 besides other applicable bye laws for settlement of claims. However, this decision would be taken post the legal adjudication of pending legal cases wherein this subject matter is being adjudicated or at an appropriate time when considered suitable by the Board of NSEL.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(iv) Compliance to Byelaws

NSEL had ensured SGF-MC of ₹ 100.00 lacs before commencement of trading in FY 2008-2009 and the same was always greater than ₹ 100.00 lacs as was required as per the bye-laws of the Exchange. The amount outstanding at the end of each year in SGF-MC account received from members as margin money was as under.

(₹ Crores)

AS ON THE DATE	Amount
31.03.2009	8.95
31.03.2010	11.23
31.03.2011	70.31
31.03.2012	328.93
31.03.2013	706.90
31.03.2014	37.89

61 OTHER MATTERS PERTAINING TO SETTLEMENT DEFAULT AND RECOVERIES:

In NSEL, as on the date of the Balance Sheet, amounts to be recovered from defaulting members was ₹ 5,331.54 Crores (Previous Year ₹ 5,359.53 Crores) and amount to be paid to non-defaulting members is ₹ 4,905.60 Crores (Previous Year ₹ 4,925.64 Crores). Apart from this, an amount of ₹ 209.11 Crores (Previous Year ₹ 209.11 Crores) is payable to certain seller Members after completion of required documentation on part of seller Members. However major portion of the same is yet to be recovered from buying members and such unrecovered amount is included in amount recoverable from defaulting members. None of the amounts payable to members are liabilities of NSEL, as the Exchange is only a provider of platform to its members for trading.

62 BAD DEBTS AND PROVISION FOR DOUBTFUL DEBTS OF NAFED AGAINST PROCUREMENT TRANSACTIONS:

In NSEL, outstanding recoverable from National Agricultural Co-operative Marketing Federation of India Limited (NAFED) against procurement of cotton as on March 31, 2015 was ₹ 10,333.68 lacs (before write off and provisions for doubtful advances). NAFED had acknowledged NSEL's claim of only ₹ 7,232.18 lacs (₹ 6,837.04 lacs) for Price Support Scheme (PSS) 2012-13 and ₹ 395.14 lacs for PSS 2008-09 vide there letter dated September 2, 2014, September 12, 2014 and December 11, 2014 in their books. NSEL had been interacting with NAFED officials and management estimated that an amount of ₹ 2,646.22 lacs is irrecoverable, accordingly on prudence basis written off said amount during the previous year,2013-14. NSEL had already made a provision of ₹ 455.28 lacs for PSS 2008-09 during the earlier years and the management of NSEL believes that provision needs to be continued in books of account.

The balance recoverable amount of ₹ 6,984.72 lacs (net of provision ₹ 6,529.44 lacs) has been included under "Other Current Assets" and ₹ 702.74 lacs were been shown under "Trade receivables".

63 WRITE OFF OF BAD DEBTS (OTHER THAN NAFED):

NSEL had taken various steps including meeting with the representative of debtors, notices to the debtors for making payment, reminders to pay the dues, legal cases against dishonours of cheques etc. NSEL has reviewed the recoverability of various amounts from debtors toward sales and services rendered from time to time. In cases, where receivables are old and NSEL has taken enough steps to recover and yet there is no positive outcome of such efforts, the management of NSEL is of the view that such Debts have become bad and cannot be recovered. Accordingly an amount of ₹ Nil (Previous year ₹ 435.23 lacs) has been written off as bad debts after adjusting a provision of ₹ Nil (Previous year ₹ 435.23 lacs) which was made in earlier years. NSEL has written off above amounts without prejudice to its legal right to recover the same.

64 PROVISION FOR DOUBTFUL DEBTS AND LOANS AND ADVANCES (OTHER THAN NAFED)

NSEL and IBMA have evaluated the various events and its effect on various receivables as on March 31, 2015. The likelihood of recoverability of such receivables has been impacted due to the abrupt closure of the business, loss of credibility and several other factors. Both NSEL and IBMA are following up with the parties to recover such outstanding amount and exploring legal options to proceed against them. Based on that evaluation, NSEL and IBMA has made additional provision during the year for doubtful debts of ₹ 1,117.78 lacs (Previous year ₹ 298.59 lacs) and provision for doubtful other receivables of ₹ 1,916.87 lacs (Previous year ₹ 536.33 lacs) by charging the same to the Statement of Profit and Loss.

65 NSEL had incurred losses of ₹ Nil (Previous Year ₹ 155.84 lacs) on account of shortage due to evaporation, moisture loss in content, spoilage and deterioration in quality of traded commodities. Such losses were incidental and were within normal range and the same have been adjusted against cost of goods sold. There was no Inventory held by NSEL as on March 31, 2015 and March 31, 2014.

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66 IN IBMA, A SUBSIDIARY OF NSEL,

a) all transactions carried out for and on behalf of constituents are carried out on an agency basis and such purchases and sales are not included in purchases/sales made by IBMA.

b) As an ITCM the IBMA had received margin money from its constituent trading members and clients. The outstanding margin amount as on the balance sheet date was ₹ 244.28 Lacs (Previous year ₹ 244.28 lacs) and is shown under the head "Other Current Liabilities".

c) IBMA had entered into an agreement with one M/s Snp Design Pvt ltd (SNP) on March 01, 2012 and renewed such agreement on March 01, 2013 to carry out commodity derivative transactions for and on their behalf. As on March 31, 2014 a sum of ₹ 7,747.18 lacs is due and recoverable from SNP, as per the terms and conditions of the agreement. On demanding the amount from the party, SNP replied through their lawyers disputing the entire amount as payable to IBMA. IBMA's board has approved to initiate action to proceed on the matter legally. Grant Thornton India LLP had observed vide their forensic report that Mrs. Shalini Sinha, wife of Mr. Anjani Sinha, was a Managing Director and a majority shareholder of SNP. In view of the said discrepancies and irregularities investigations are in progress. Mr. Anjani Sinha had been removed from the board of directors of IBMA on October 23, 2013 and was arrested on account of complaint against him in other matter pertaining to IBMA. Pursuant to such findings by Grant Thorton India LLP about shareholding and management interests in SNP, and on the basis of information available on the website of Ministry of Corporate Affairs,IBMA has included such transactions carried out with SNP for disclosures required to be made as per AS 18.No such communication thereto was received from such related party disclosing the requiste information to IBMA.

d) IBMA had entered into a procurement agreement with Harley Carmbel Pvt Ltd. (Harley) for buying spices and other commodities in the state of Kerala. As per the terms of agreement, IBMA was to buy commodities on behalf of Harley, sell the commodities to Harley as per their needs on credit, and Harley was to pay back IBMA after the credit period. Subsequently the transactions were carried by IBMA as per the terms but Harley failed to make full payment of its obligations. An amount of ₹ 293.58 lacs is outstanding from the party as on balance sheet date. IBMA had sent legal notice to the party but the party denied owing any amount to IBMA. An application has been made for proceeding under 156(3) of Cr P.C. 1973, before Court of additional chief metropolitan magistrate's 47th Court at Esplanade for getting process issued against Harley, under sections 409,420,465,467,468,471,474,477-A r/w 34 & 120-B of Indian Penal code.

e) In Case of IBMA Post the receipt of no objection from FMC, NSEL had initiated the rematerialization process and financial close out of the E series units. As per the said process the unit holders could take physical delivery of their respective units or could participate in the financial closure process whereby their units would be auctioned to bidders as per the competitive bidding process. IBMA as an authorized dealer had to act as a facilitator for conversion of E-series units in to physical commodities. During this process the IBMA raised sales invoices at the applicable clearing rate on delivery of the underlying physical commodity to the extent of ₹ 36,585.97 lacs in the current year.

f) IBMA has not recognized income in cases where services have been rendered but its ultimate collection is not reasonably certain. The revenue recognition in these cases has been postponed pending significant uncertainties resulting out of suspension of trading at NSEL exchange platform and the subsequent defaults,In line with Accounting standard 9 on Revenue Recognition.

g) In case of IBMA, there is no open Interest in Commodity Futures outstanding as at the Balance Sheet date.

67 In NSEL, the commodities lying in the designated delivery centers relating to transactions carried out by Members on Exchange platform were not the property of the NSEL and hence such inventory of commodities is not getting reflected in the books of accounts of NSEL. Similarly, such inventory was never purchased by NSEL and hence any liability thereto was neither liability of NSEL nor contingent liability of NSEL requiring any disclosure. This is an admitted fact in various proceedings pending before various forums. This is also the industry practice in this regards.

As far as availability of commodity is concerned, it was confirmed by earlier management of NSEL that there were systems and processes in place for deposit of commodities and generation of warehouse receipts and charging for the same. NSEL believed that existence of commodities in warehouse on the following grounds:

a) The depositing members' declarations offering the commodity for warehousing.

b) Invoices submitted by the depositing, Members along with proof of paying VAT on the commodities deposited,

c) The Officials concerned in NSEL at the relevant time satisfying themselves, that there were commodities deposited,

d) Generation of warehouse receipt's by the concerned officials for assigning to trades.

It has come to the notice later when the matter was investigated by Audit/others that there were instances where the commodities were found missing and there were instances of commodities being available partly or fully. This is now part of the investigations by EOW and other investigation agencies.

The commodities lying in the designated delivery centers relating to transactions carried out by Members on Exchange platform were not the property of NSEL and hence such inventory of commodities is not getting reflected in the books of accounts of NSEL. Similarly, such inventory was never purchased by NSEL and hence any liability thereto was neither liability of NSEL nor contigent liability of NSEL requiring and disclosure in the accounts or notes to account of NSEL.

68 In NSEL, with regard to internal controls relating to storage of goods and issuance of warehouse receipts pertaining to previous year, it is the case of NSEL that the concerned officials in management prima facie might have colluded with the defaulting members and apparently facilitated issuance of warehouse receipts purportedly without adequate underlying stocks, which is under investigation. It is a fact that there were cases

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

where stocks were available and in some cases adequate stock was not available. The Members were satisfied with the same, without any demur as some of them in fact visited the concerned warehouses. The verification of reconciliation of the commodities claimed to have been made available by erstwhile management with the other corroborative documents, contemporaneously maintained at various levels is possible only after investigations are concluded. The relevant documents and other records have been seized by investigation agencies and the exact nature of malfeasance and mismatch if any, cannot be ascertained at this stage. Investigating agencies are investigating genuineness of the warehouse receipts issued by the Exchange and impact on financials if any can be ascertained after investigations are concluded and orders are obtained from the Court. Enforcement Directorate has applied provisions of Prevention of Money Laundering Act 2002 (PMLA) on defaulting members and NSEL.

69 In NSEL, during the year appointed SGS & Group 4 securities to survey & secure stocks at various warehouses. Wherever the agency could find the commodities, NSEL took said commodities in its possession for liquidating the same. NSEL is in process of liquidating the commodities by following auction process under supervision and direction from FMC and HCC.

70 In NSEL, during the year, the management on prudent basis written-off service tax credit amount of ₹ 269.38 lacs. The decision is based on the review and reconciliation of books of account with service tax returns filed with the service-tax department and corresponding lapse of service tax credit benefit to NSEL. Although, NSEL is trying its best to resolve the issue and get the credit benefit of the same.

71 IN IBMA, A SUBSIDIARY OF NSEL,

a) As on July 31, 2013 ₹ 1,17,009.86 lacs was the settlement payout receivable by IBMA, from NSEL on account of trades executed by its affiliated members and clients that were part of the revised settlement plan. Up to March 4, 2015, NSEL has completed 65 weekly payouts and has released ₹ 11,036.90 lacs towards the obligation of IBMA's affiliated members and clients. Payout after November 20, 2013 has been made by NSEL directly to constituent members and clients of IBMA. The amount receivable by affiliated members and clients were not fully received from NSEL as per the revised settlement plan. On the basis of the legal opinion received by NSEL, and as NSEL acted as the member broker, NSEL may not has any liability on net basis towards such unsettled obligation to its members and clients. In view thereof, no provision for the same is made in the books of accounts of the IBMA.

b) An amount of ₹3,128.43 lacs pertaining to VAT on unsettled trades on NSEL exchange platform is outstanding as on balance sheet date. This amount is receivable from the defaulting members on NSEL exchange platform and is in turn payable to the constituent members and clients of the company as part of outstanding settlement obligation.

c) Sahara Q Shop Unique Products Range ltd., was registered as a client with IBMA to trade on Exchange platform. As per the revised settlement plan IBMA had to receive obligation from NSEL on account of the trades executed by the client. However SEBI vide letter dated March 11, 2014, had directed NSEL to retain payouts to Sahara group companies and hold the same in a deposit account with any public sector bank until further instructions. Accordingly payouts up to the balance sheet date, amounting to ₹ 829.36 lacs pertaining to the client have been deposited into Fixed deposits by NSEL and equivalent amount is reduced from the exchange's obligation to IBMA. Accordingly IBMA has reduced such amount from both receivable from NSEL and payable to the said client.

72 VIEWS ON MCrA POSITION ON TRADES DONE IN NSEL:

All contracts traded on the exchange platform were proper and in consonance with the applicable laws and there were no violations in this regard. NSEL had obtained a legal opinion on the legality of the contracts. In this regard NSEL refers to the affidavit filed by Department of Consumer Affairs (DCA) in writ petition no. 2340/2013, wherein the following points are mentioned:

View of Ministry of Consumer Affairs (MCrA) on Legality of NSEL contracts

- Extracts from Affidavit of MCrA in Writ Petition (Lodge) No. 2340 of 2013
  - Para 28, Pg 31 "The NSEL instead of adhering to the conditions of exemption quoted practical difficulties and also contended that the exemption is not confined to any specific section of FCRA, rather it extends to all provisions of FCRA was taken into account. Also the fact which emanated from FMC's communication that the other exchange that is, NCDEX Spot Exchange, which was also granted exemption under section 27 of FCRA was violating the conditions of the exemption order."
  - Para 29, Pg 31 "pending legal advice with respect to withdrawal of exemption granted under section 27 of the FCR Act, the answering respondent on July 12,2013 directed NSEL to give an undertaking"
  - Para 31, Pg 32 "FMC in its detailed response dated July 19,2013 has stated….. exemption from operation of the provisions of the said Act .. are silent whether the exemption is applicable to all or specific provisions of the Act"
  - Para-wise Reply 9, Pg 54 "this direction was issued in public interest to ensure that all the existing obligation is honoured on due date and the exchange is stopped from entering any fresh contract as to ensure that till a proper decision in the matter is taken, the exchange should not be allowed to invite and promote fresh contracts."
- It may be highlighted here that Government while issue the further notifications dated August 06,2013 and September 19,2014 didn't adjudicate the SCN dated April 27,2012 by declaring the NSEL contracts illegal.

  Para-wise Reply 9, Pg 57 "it was appropriately thought by the answering respondent that additional conditions be imposed to restore the market sanctity as well as to allay the fears in the minds of the people that NSEL is unregulated."
- This proves the point that in the eye of the Ministry of Consumer Affairs, the NSEL was a regulated entity even in August, 2013.

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The above comments of Ministry of Consumer Affairs confirms that:

1. There were differences in views between NSEL and FMC as to the extent of the exemption notification dated June 05, 2007.
2. FMC finally confirmed by its letter dated July 19,2013 that the exemption is silent as to whether it is from all or specific provisions of FCRA
3. NCDEX Spot Exchange was also having contracts with deliveries beyond 11 days.
4. FMC/MCrA were monitoring/regulating NSEL and other Spot Exchanges
5. As on July 12,2013 when directions were issued by MCrA to stop market, MCrA had not even taken legal opinion whether NSEL was in violation. In fact MCrA's view was that after final decision taken, new contracts may be allowed (Pg 54 of affidavit).

73 LEGAL AND REGULATORY FRAMEWORK FOR SPOT EXCHANGE AND RELATED ISSUES IN NSEL:

NSEL had commenced trading on October 15, 2008 pursuant to a notification of exemption no. S.O. No. 906 (E) dated June 05, 2007 issued by the Department of Consumer Affairs, Ministry of Consumer Affairs, Govt. of India (MCrA) ("Notification"). The Forward Markets Commission (FMC) was nominated as the Designated Agency w.e.f. August 5, 2011 by the Ministry of Consumer Affairs vide letter S.No.(3)/f.No. 12/3/2003-IT(Pt).

The 2007 notification has been withdrawn by the Central Government through Notification SO 2529(E) on September 19, 2014 with immediate effect; consequently the Notification SO 228(E) dated February 6, 2012 and Notification SO 2406(E) dated August 6, 2013 cease to be in force w.e.f. September 19, 2014.

NSEL received Show Cause Notice (SCN) dated April 27, 2012 from the Ministry of Consumer Affairs, Food and Public Distribution, Government of India, alleging inter-alia that NSEL was running contracts with more than 11 days delivery period and enabling short sales. NSEL filed detailed reply to the SCN vide its letter dated May 23, 2012 and followed up later on dated August 11, 2012 and July 08, 2013. The market was also informed about the show-cause notice dated April 27, 2012, and its response vide communication dated October 3, 2012.

Ministry of Consumer Affairs, Food And Public Distribution, Government of India, vide its letter dated July 12, 2013 directed NSEL to submit an undertaking in the context of the said SCN stating that:

a) No further/fresh contracts shall be launched until further instructions from the concerned authority.

b) All the existing contracts will be settled on the due dates.

Accordingly, NSEL submitted an undertaking on July 22, 2013, stating that:

a) We undertake not to launch any further/fresh contracts in new commodities and/or at new places till further instruction from concerned authority.

b) We undertake that we shall settle all the contracts traded on the Exchange on their respective 'settlement due dates', as per contract specification notified by the Exchange.

In view of the above, there was loss of trading interest among the participants due to uncertainties leading to trade in-equilibrium. There was possibility of payment and settlement defaults at NSEL exchange platform by some Members, which came to the notice of Board on July 30, 2013. Therefore, NSEL issued a circular on July 31, 2013, informing its members inter-alia that with immediate effect all one day forward contracts would be suspended till further instructions; however the trading in e-series contracts, e-auction, e-procurement, MSP operations on behalf of Government agencies (NAFED and SFAC), etc. would continue.

The operating activities of NSEL was suspended w.e.f. August 7, 2013 under directive from the Ministry of Consumer Affairs, Food & Public Distribution, Government of India dated August 6, 2013 in continuation of its earlier directive dated July 12, 2013. NSEL has been also facing enquiries/investigations from Government agencies in relation to alleged fraud at NSEL. Further, MCrA has issued notification vide no. F.No.12/3/2003-IT(Vol. II) dated August 6, 2013 to NSEL to stop e-series.

The Government by Gazette Notification SO 2529(E) dated September 19, 2014 has withdrawn the Gazette Notification SO 906 (E) dated June 5, 2007 (by which NSEL was granted exemption u/s. 27 of the FCR Act, 1952 for trading of forward contracts of one day duration) with immediate effect and consequently the notification SO(E) 228 dated February 6, 2012 and notification SO 2406 (E) dated August 6, 2013 ceased to be in force w.e.f. September 19, 2014, as informed to NSEL by the FMC vide letter dated November 5, 2014.

74 IRREGULARITIES IDENTIFIED IN NSEL

In view of the alleged fraud perpetrated by the defaulting members in collusion with the erstwhile MD & CEO of NSEL and other senior officials. Due to sudden stoppage of the trading activities on Exchange platform, settlement payment default to the tune of ₹ 5,689.50 Crores occurred. NSEL has launched complaints against the ex-MD & CEO and other senior officials with Mumbai Police. Relevant documents and other records have been seized by investigating agencies and the exact nature of malfeasance and mismatch, if any, as to commodities cannot be ascertained at this stage. Without completion of investigation, impact if any, of the said irregularities on NSEL, cannot be ascertained. Since matter is under investigation by EOW, CBI and ED, neither the nature of irregularity involved in such misuse of powers, nor the amount involved can be presently ascertained as in all matters investigation is under progress or matter is sub judice. NSEL also suspended services of erstwhile MD & CEO and other senior officials of NSEL on August 20, 2013 and terminated services immediately thereafter, as remedial measures.

The availability of commodities sold and purchased by members on the exchange platform on March 31, 2013 was not under any doubt since there were no disputes on the availability of stock and all settlement obligations were smoothly completed including the delivery of commodities. The erstwhile NSEL's management had regularly provided details of warehouse receipts assigned to different trades. The Members were satisfied with the same, without any demur, as some of them in fact visited the concerned warehouses to verify the physical stock. The then NSEL's MD & CEO submitted to the Board of NSEL as well as FMC, the stock position as on July 31, 2013 which has reported adequacy of value of stock to cover the trades. Further then NSEL's MD & CEO and other senior official always maintained in various reports that the seller had deposited stocks in the designated warehouses. NSEL understand that the reconciliation of the commodities claimed to have been available by erstwhile NSEL's management team with the other corroborative documents contemporaneously maintained at various levels is possible only after investigations are concluded. The relevant documents and other records have been seized by investigation agencies and the exact nature of malfeasance and mismatch, if any cannot be ascertained at this stage. Investigating agencies are investigating genuineness of the warehouse receipts issued by the Exchange and impact on financials, if any, can be ascertained after investigations are concluded and orders are obtained from the Court. Enforcement Directorate has applied provisions of the Prevention of Money Laundering Act 2002 (PMLA) on defaulting members and exchange and investigation are in progress.

75 NOTICES / INSPECTIONS / AUDITS / INVESTIGATIONS IN NSEL AND ITS SUBSIDIARY IBMA:

a) NSEL has been served with notices / letters / summons from various statutory authorities / regulators / government departments and some purported aggrieved parties. Most of the matters against NSEL are sub-judice before different forums. NSEL may have civil / criminal liability arising out of one or more of the proceedings initiated against NSEL.

b) NSEL is in process of surrendering Agriculture Produce Market Committee (APMC) licenses in view of the fact that it is no more operational and has initiated the process for the same.

c) An inspection of NSEL under section 209A of the Companies Act, 1956 was carried out. Pursuant to such inspection, NSEL has received certain notices of non-compliances with certain provision of the Companies Act, 1956 from the Ministry of Corporate Affairs and prosecution has been launched. NSEL has replied to all such notices. NSEL has filed applications for compounding of all compoundable violations as per the provisions of the Companies Act, 1956. These proceedings may result in payment of certain monetary penalties under the Companies Act 1956. The amount of penalty cannot be accurately ascertained at this stage. NSEL has taken suitable steps to avoid such non compliances.

d) On the direction of FMC, NSEL had appointed Grant Thornton India LLP (GT), a forensic auditor for carrying out audit of the affairs of NSEL for the preceding 5 quarters ended June 30, 2013. GT had furnished their forensic audit report and a detailed response was sent by NSEL to the FMC with its observations on most of the issues raised in the said audit report.

e) NSEL had appointed M/s Sharp and Tannan Associates, Chartered Accountants for verifying physical stocks of precious metals & base metals traded under e-Series contracts. As per their report no discrepancies were observed in the physical stock positions of these metal contracts except minor issues relating to reconciliation on account of rounding off etc. These commodities did not belong to NSEL.

f) Further the FMC had appointed M/s Chokshi & Chokshi, Chartered Accountants, to conduct forensic audit pursuant to the order dated October 28, 2013 passed by the Hon'ble Bombay High Court. The said audit did not bring out any adverse finding with reference to the e-Series contracts. Consequently, as per directives of the FMC, as on date, about 98% e-Series free holdings have been settled to approximately 40,000 e-Series investors by way of re-materialization/financial closure.

g) Some of the irregularities which have been observed arising out of misuse of power by ex-MD and CEO and erstwhile senior officials of NSEL, are under investigation by Mumbai police in response to complaint made by NSEL and other against such employees as also by others against the employees and NSEL. They were seemingly involved in misinforming the Board of Directors about risk management steps taken by them including collection of margin money, security deposit and availability of commodities. They had also colluded and conspired with defaulting members to defraud the members other than the defrauding members. Relevant documents and other records have been seized by investigating agencies and the exact nature of malfeasance and mismatch if any as to commodities of members cannot be ascertained at this stage. Without completion of investigation, impact if any, of the said irregularities on NSEL, cannot be ascertained. Since matter is under investigation by EOW, CBI, ED etc., neither the nature of irregularity involved in such misuse of powers nor the amount involved can be presently ascertained as either investigation is under progress or matter is subjudice.

76. CIVIL SUITS / COMPLAINTS / WRITS / PUBLIC INTEREST LITIGATIONS IN NSEL AND ITS SUBSIDIARY IBMA :

a) Some of the defaulting members of the Exchange have filed cases against NSEL. These case are in the nature of

   (i) disowning their pay in liability for the trades done on Exchange platform

   (ii) counter claim from NSEL

   (iii) claims by clients of the trading/ clearing members

b) There are some writ petitions, Public Interest Litigations (PILs), civil suits including in representative capacity filed by and against NSEL.

c) NSEL filed third party claims against the defaulting Members in the existing civil litigation for recovery of their pay-in obligation.

d) These matters are currently sub judice before Bombay High Court and other forums and are at various stages. The writ petitions and civil suits are primarily against the various defaulting members of NSEL. However, claims have also been made against NSEL alleging that NSEL was responsible as guarantor of such settlement and payment as also alleging deficiency of certain services rendered by NSEL. NSEL had disputed all such claims , interalia on the ground that,the obligation of NSEL is to settle the trade using the SGF-MC created out of members' contribution and the procedures stipulated in the bye laws is to be followed for obtaining the additional contribution from non-defaulter members to complete the pay-outs.

e) Post the defaults that occurred in July/Aug 2013, it has been revealed that the contracts in respect of which the default occurred may be hit by the proviso to bye-laws 5.26 of bye-laws* of the Exchange. NSEL has contested various claims from various parties that it ever acted as central counterparty to the contracts. The matters are currently sub-judice. NSEL would follow the procedure stipulated in Chapter 12 of bye-laws to call in required contribution from the non-defaulter members, after excluding the transactions which are hit by proviso to bye-law 5.26. NSEL had not offered any corporate guarantee to complete the settlement out of its funds, therefore there is no liabilities of NSEL on these grounds.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

f) NSEL received a legal opinion to the effect that NSEL is not liable for payment under the provisions of SGF in the bye-laws. Further in case of e-Series contract related transactions, no major infirmity in underlying physical stock was observed. Therefore, at this stage and in the opinion of the Management of NSEL, relying upon the legal advices, and as per the provisions of bye-laws of the exchange, there are no direct ascertainable financial claims against NSEL, is sought to be made in the books of accounts of NSEL. NSEL may be exposed to liabilities in case of any adverse outcome of these investigations/ enquiries or legal cases or any other investigations/enquires or suits which may arise at a later date.

g) NSEL took various actions including, arranging a joint meeting of Members with outstanding and receivable dues with FMC, appointing SGS & Group 4 securities to survey & secure stocks at various warehouses, appointing Sharp and Tannan Associates, Chartered Accountants for audit of outstanding dues, appointed officer on special duty to assist the management of NSEL, declaring members as defaulters under bye-laws, terminating the services of ex-MD & CEO and other few senior officials, filed criminal complaints against the defaulters and ex-senior officials of NSEL and initiated various recovery proceedings against defaulting members. The High court of Bombay is seized of the recovery matter and has appointed a committee to assist them in recovery proceedings. The High court appointed a Committee (HCC) with powers mentioned in the Bombay High Court order dated September 2, 2014.

NSEL is fully cooperating with HCC in the recovery proceedings. The proceedings against defaulting members are at various stages and no tangible recovery could be done so far.

h) In case of IBMA on writ petition filed in Bombay High Court by one Mr. Tarun Amarchand Jain HUF and others, the Hon'ble Court had vide their order dated October 7, 2013 directed NSEL to not process any application for re-materialization of e-series stock in respect of entities associated with NSEL and the Company including their employees and relatives. Further IBMA was directed to not settle any re-materialization in respect of such entities. As a result of such an order, a temporary stay was granted on rematerialization of IBMA proprietary holdings in e-series. The Hon'ble High court vide their order dated October 28, 2013 had directed FMC to initiate a forensic audit in respect of E series contracts. M/s Chokshi & Chokshi, Chartered Accountants were accordingly appointed by FMC to conduct the forensic audit. The audit report confirmed the stock underlying the e-series to be intact and made no adverse observations of diversion of funds from contracts traded on NSEL exchange platform for buying the underlying commodities. The e-series rematerialization and financial settlement for non-associated entities was initiated by FMC post the receipt of audit report. Consequently, approximately 98.5% of the outstanding e-series contracts have been settled by May 16, 2015 and payment made to approximately 33,000 e-Series investors through re-materialization / financial closure process.

i) IBMA had filed a notice of motion with the Hon'ble Bombay High Court on February 20, 2015 praying inter-alia to modify the above referred order dated October 7, 2013, directing NSEL to process application of rematerialization if any made by the company in respect of e-series contracts and to permit NSEL to infuse capital or loan to IBMA for payment of statutory dues, amounts for preservation, maintenance and protection of their assets and wages and salaries.

77 In respect of previous year, as reported by members that there are large number of small clients of the Members who had to receive money from the respective defaulting members, NSEL had requested its Holding company ('FTIL) to give a interest bearing bridge loan of ₹ 17,939.81 lacs without admission of the liability of NSEL to pay the dues on behalf of defaulters. Accordingly FTIL, purely as a goodwill gesture, without admitting any liability and without prejudice, granted interest bearing loan of ₹ 17,939.81 lacs to NSEL, repayable to FTIL from future income/ accrual / recoveries. Out of such loan, NSEL had paid, without prejudice, to small clients of the Members in full whose dues were less than or unto ₹ 2.00 lacs and 50% of the amount to those, whose dues were between ₹ 2.00 lacs and ₹ 10.00 lacs. The same was executed under intimation to the FMC and under guidance from FMC. NSEL has a right to recompense from the proceeds of recovery of the defaulted members. It is stated that such dues were the amounts payable by the buying members (pay-in) to selling members (pay-out) and that since buying members had defaulted in making payments to selling members and in the larger interest of the small clients of the selling members, NSEL had made such payments to Members and in turn to small clients of such Members, under intimation to the FMC and under guidance from the FMC / Ministry of Consumer Affairs, Government of India.

78 STEPS TAKEN BY NSEL & IBMA POST SETTLEMENT DEFAULT:

a) While NSEL had internal control system commensurate with the size of NSEL and nature of the business carried on by NSEL, based on an internal investigation and enquiry conducted by the Internal Inquiry Committee (IIC) appointed by the Board of directors of NSEL between late August, 2013 and October, 2013, forensic audits conducted by M/s Grant Thornton LLP and M/s Chokshi and Chokshi, Chartered Accountants and special audit conducted by M/s Sharp and Tannan Associates, Chartered Accountants, certain irregularities were identified.

b) The investigations also revealed that few of the senior officials of NSEL headed by the former MD & CEO of NSEL (hereinafter referred to as the erstwhile Management) had adopted improper methods, by allowing trading in contracts wrongfully, not verifying the underlying commodities lying at warehouses attached to the members etc. The investigations further primafacie found that the above was done by the erstwhile Management of NSEL in collusion with various defaulting members. The findings of the investigations prima facie suggest that the erstwhile Management of NSEL was hand in glove with the defaulting members and had carried out such irregularities for some extraneous gains from members which are also stated in the charge sheet filed by the EOW on January 06, 2014, against the employees of NSEL and some of the defaulting members.

c) The Mumbai Police, EOW has been investigating the matter and had arrested few of the employees of NSEL and two Directors of NSEL for interrogation. Two charge sheets have been filed against erstwhile MD and CEO of NSEL and one Director and other officers of NSEL under the provisions of Maharashtra Protection of Interest of Depositors (in Financial Establishments) Act, 1999 (MPID) and under Indian penal Code, 1860 (IPC). Similarly investigations are also under progress by Central Bureau of Investigation (CBI) and Enforcement Directorate (ED), the Registrar of Companies (ROC), Mumbai, the Ministry of Corporate Affairs.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

d) The forensic audits as above were carried out during August 2013 to February 2014 focused on the period from April 01, 2012 to July 31, 2013. In certain instances, the forensic auditors conducted investigation procedures outside this period. The forensic investigations prima-facie reveal that the (acting through the erstwhile NSEL's Management) some of the well-defined internal control systems in NSEL of verifying commodity with members, the trade positions taken by them, correctness of declaration by members about availability of commodities were circumvented. The current Management of NSEL is of the view that these irregularities were perpetrated by the erstwhile Management of NSEL in charges of the affairs of NSEL (i.e. NSEL's Former MD& CEO) aided and abetted by few other senior officials and employees of NSEL and in collusion with various defaulting members of Exchange.

e) The current Management of NSEL, in the light of the report of internal committee and the reports of two forensic auditors, has evaluated the effectiveness of internal control systems and controls over the financial reporting of NSEL. It was noted that many established controls had been circumvented by the erstwhile Management of NSEL which colluded with, and was aided and abetted by, some of the employees of NSEL and the defaulting trading and clearing members (TCM). The current Management of NSEL, understands that the controls that were circumvented by the erstwhile the Management of NSEL were as follows:

(i) Lack of compliance with Rules, Byelaws and Business Rule of the Exchange by the defaulting members,

(ii) Laxity in terms of exemption from margin requirements

(iii) Oversight over commodities which were stored in the warehouses managed by the defaulting Members.

(iv) MD & CEO of NSEL at the relevant time failed to disclose non-compliance issues to the Board of Directors of NSEL and as also to the statutory auditors of NSEL.

(v) As per the Rules and Byelaws of the Exchange all powers and responsibilities had vested with the MD & CEO of NSEL. Thus, the entire operations of NSEL were under direct supervision and control of the then MD & CEO of NSEL and his team members consisting of different heads of departments. Cases have been filed against the aforesaid employees of NSEL by EOW as also by several other parties. Charge sheets have been filed against few of the aforesaid employees of NSEL by EOW and the matter is at various stages of admission, hearing, and adjudication before several courts.

(vi) Misuse of powers vested with Ex-MD & CEO of NSEL in terms grant of third party guarantees, turning blind eye to the Members' violation of Rules and Byelaws of NSEL, unilateral relaxation in Rules pertaining to certain Exchange related transactions.

79 As per the assessment of the Management of NSEL, necessary disclosures arising from the irregularities as stated above have been made in the financial statements. Since matters relating to several of the irregularities are sub-judice and the various investigations are ongoing, any further adjustments/disclosures,if required, be made in the financial statements of the NSEL as and when the outcome of the above uncertainities is known and the consequential adjustments/disclosures are identified. However following risks are still not fully covered.

(i) Risk of un-identified financial irregularities

In view of the specific scope of the forensic audits and the limitations in the forensic audits and investigations, there is inherent a risk that material errors, fraud and other illegal acts may exist that could remain undetected.

(ii) Risk of adverse outcome of investigation/enquiry by law enforcement agencies

Several agencies such as the Police (EOW), Ministry of Corporate Affairs (MCrA), Enforcement Directorate (ED), CBI and the Income Tax Department etc. are currently investigating/enquiring the extent of alleged irregularities and any breach of law. The matters are also sub-judice before various forums including the Hon'ble Mumbai High Court. NSEL may be exposed to liabilities in case of any adverse outcome of these investigations or any other investigations which may arise at a later date.

80 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

Venkat R Chary
Chairman
DIN - 00273036

Prashant Desai
Managing Director & Chief Executive Officer
DIN- 01578418

Hariraj Chouhan
Vice President
& Company Secretary

Devendra Agrawal
Chief Financial Officer

Place : Mumbai
Date : May 22, 2015

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NOTICE

NOTICE is hereby given that the Twenty Seventh Annual General Meeting ("AGM") of the Members of Financial Technologies (India) Limited ("the Company") will be held on Wednesday, September 30, 2015 at 4:00 p.m. at Kasturi Srinivasan Hall, The Music Academy, New no. 168, T.T.K Road, Royapettah, Chennai - 600 014 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
   a) the audited financial statements of the Company for the financial year ended March 31, 2015 and the Reports of the Board of Directors and Auditors thereon; and
   b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2015 and the Report of the Auditors thereon.
2. To confirm the payment of Interim Dividends on equity shares and to declare a Final Dividend on equity shares for the financial year 2014-15.
3. To ratify the appointment of statutory auditors of the Company and to fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**;

   "RESOLVED THAT pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the resolution passed by the members at the twenty sixth AGM of the Company held on September 23, 2014, the appointment of M/s. Sharp & Tannan Associates, Chartered Accountants, (Registration No. 109983W) as the Statutory Auditors of the Company for the period of five years (i.e. up to the conclusion of thirty first AGM), be and is hereby ratified at an annual remuneration plus reimbursement of out-of-pocket expenses, if any, as may be mutually agreed to, between the Board of Directors and the Statutory Auditors."

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Anil Singhvi (DIN: 00239589) who was appointed as an Additional Director with effect from November 07, 2014, by the Board of Directors of the Company and who in terms of Section 161 of the Companies Act, 2013, holds office upto the date of the forthcoming Annual General Meeting, being eligible for appointment and having consented to act as Director of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive and Non-Independent Director of the Company, liable to retire by rotation".

RESOLVED FURTHER THAT the Board of Directors of the Company (or any committee thereof) or Company Secretary of the Company, be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. To consider and, if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Berjis Desai (DIN: 00153675) who was appointed as an Additional Director with effect from November 07, 2014, by the Board of Directors of the Company and who in terms of Section 161 of the Companies Act, 2013, holds office upto the date of the forthcoming Annual General Meeting, being eligible for appointment and having consented to act as Director of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive and Non-Independent Director of the Company, liable to retire by rotation".

   RESOLVED FURTHER THAT the Board of Directors of the Company (or any committee thereof) or Company Secretary of the Company, be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. To consider and, if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT Ms. Nisha Dutt (DIN: 06465957), who was appointed as an Additional Director with effect from November 20, 2014 by the Board of Directors and who holds office upto the date of the forthcoming Annual General Meeting, being eligible for appointment and having consented to act as Director of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company.

   RESOLVED FURTHER THAT pursuant to provisions of Sections 149, 152, read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Ms. Nisha Dutt (DIN: 06465957), a Non-Executive Director of the Company, who has submitted a declaration that she meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and under Clause 49 of the Listing Agreement and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company, to hold office for five consecutive years commencing from September 30, 2015, subject to Ms. Nisha Dutt satisfying the criteria of independence in terms of the Companies Act 2013 and the Listing Agreement, and shall not be liable to retire by rotation."

   RESOLVED FURTHER THAT the Board of Directors of the Company (or any committee thereof) or Company Secretary of the Company, be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. To consider and, if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Sunil Shah (DIN:02569359) who was appointed as an Additional Director with effect from November 20, 2014, by the Board of Directors of the Company and who in terms of Section 161 of the Companies Act, 2013, holds office upto the date of the forthcoming Annual General Meeting, being eligible for appointment and having consented to act as Director of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive and Non-Independent Director of the Company, liable to retire by rotation".

   RESOLVED FURTHER THAT the Board of Directors of the Company (or any committee thereof) or Company Secretary of the Company, be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. To consider and, if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Miten Mehta (DIN:06749055) who was appointed as an Additional Director with effect from November 20, 2014, by the Board of Directors of the Company and who in terms of Section 161 of the Companies Act, 2013, holds office upto the date of the forthcoming Annual General Meeting, being eligible for appointment and having consented to act as Director of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive and Non-Independent Director of the Company, liable to retire by rotation".

   RESOLVED FURTHER THAT the Board of Directors of the Company (or any committee thereof) or Company Secretary of the Company, be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board
sd/-
Hariraj Chouhan
Vice President & Company Secretary

Place: Pawana Nagar, Pune
Date: August 08, 2015

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Item Nos. 4,5,6,7 and 8 of the Notice 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. A person appointed as proxy, shall act as a proxy for not more than 50 members and holding in aggregate not more than 10% of the total paid up share capital of the Company. A member holding more than 10% of the paid up share capital of the Company may appoint a single person as proxy and such person appointed cannot act as proxy for any other member.**
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. The relevant details as required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges, of Directors seeking appointment are annexed herewith.
6. All relevant documents referred to in the accompanying Notice and statutory registers are open for inspection by the members at the Registered Office of the Company and copies of the same are open for inspection at the Corporate Office on all working days (except Saturdays) from 11.00 A.M. to 1.00 P.M. upto the date of the meeting.
7. The Register of Members and Share Transfer Books of the Company will remain closed **from September 24, 2015 to September 30, 2015** (both days inclusive) in terms of the provisions of Section 91 of the Companies Act, 2013 and the applicable clauses of the Listing Agreement entered into with the stock exchanges.
8. 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 September 23, 2015. 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 September 23, 2015.
9. Pursuant to the provisions of section 205A(5) and 205C of the Companies Act, 1956, the Company has during the year transferred unpaid/unclaimed fourth interim dividend (F.Y. 2006-07), final dividend (F.Y. 2006-07), and three interim dividends (F.Y. 2007-08) to Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 23, 2014 (date of last Annual General Meeting) on the website of the Company i.e. www.ftindia.com under Investors section.
10. Those Members who have so far not encashed their dividend warrants from the financial year 2008-09 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, as and when due. 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. Members attention is particularly drawn to the "Corporate Governance" section of the Annual Report in respect of unclaimed dividend.

11. The Company is pleased to provide remote e-voting facility to its members in terms of Section 108 of the Companies Act 2013 read with Companies (Management and Administration) Rules 2014 and Clause 35B of the Listing Agreement. This facility is provided to the members to enable them to cast their votes electronically in respect of the businesses to be transacted at this Annual General Meeting through systems provided by Company's Registrar & Share Transfer Agent M/s Karvy Computershare Private Limited (Karvy). The Board of Directors have appointed Mr. B. Narasimhan, Proprietor M/s. BN & Associates, Company Secretaries, Mumbai, as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.

    The e-voting facility will be available during the following voting period:

Commencement of e-voting	:	From September 26, 2015 (09:00 am onwards)
End of e-voting	:	Up to September 29, 2015 (upto 05:00 pm)

    The cut-off date for the purpose of e-voting is September 23, 2015.

    The remote e-Voting module shall be disabled by Karvy for voting after 5:00 pm on September 29, 2015. Once the vote on a resolution is cast by the member, member shall not be allowed to change it subsequently. E-voting shall not be allowed beyond the abovementioned date and time.

    Any person who acquires shares of the Company and becomes member of the Company after the dispatch of the Notice of AGM and holding shares as on the cut-off date i.e. September 23, 2015, may obtain the user ID and password by sending an email request to Karvy at evoting@karvy.com. Members can also contact Karvy at 1800 345 4001 (toll free). If you are already registered with Karvy for e-voting then you can use your existing user ID and password/PIN for casting your vote.

12. In terms of the recent amendment to the Companies (Management and Administration) Rules, 2014 with respect to the voting through electronic means, the Company is also offering the facility for voting by way of physical ballot at the AGM. The members attending the meeting should note that those who are entitled to vote but have not exercised their right to vote by e-voting, may vote at the AGM through ballot for all businesses specified in the accompanying Notice. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote. The Members who have exercised their right to vote by e-voting may attend the AGM but shall not be entitled to vote at the AGM through ballot. The voting rights of the members shall be in proportion to their shares in the paid-up equity share capital of the Company as on cut-off date i.e. September 23, 2015. A person who was not a member as on the Cut-off date should treat this notice for information purposes only.

13. The Login ID and password for e-voting along with the process, manner and instructions for e-voting along with the physical copy of the Notice of the AGM is being sent to the members, who have not registered their e-mail IDs with the Registrar and Share Transfer Agent of the Company / Depository Participants. Those members who have registered their e-mail IDs with the Registrar and Share Transfer Agent / their respective Depository Participants are being forwarded the Login ID and password for e-voting along with the process, manner and instructions over e-mail.

14. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank mandates, nominations, power of attorney, change/updation of address, e-mail address, consolidation of holdings, change in residential status (from NRI to resident Indian or vice-versa) etc., to their respective Depository Participants. Changes intimated to the Depository Participants will be automatically reflected in the Company's record which will help the Company and RTA to provide efficient and better services. Members holding shares in physical form are also requested to intimate such changes to the Registrar & Share Transfer Agent under the signatures of first/joint holder(s).

15. 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.

16. The Certificate from the Statutory Auditors of the Company certifying that the Employees Stock Option Scheme of the Company is being implemented in accordance with the SEBI guidelines as amended from time to time, and in accordance with the resolution(s) of the general meeting will be available for inspection to Members at the forthcoming Annual General Meeting.
17. Members seeking any further 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 atleast seven days prior to the AGM.
18. 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.
19. 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.
20. Electronic copy of the Annual Report is being sent to all the members whose email IDs are registered with the Registrar and Share Transfer Agent/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode. 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. The Notice of the Annual General Meeting is also available on the website of the Company i.e. www.ftindia.com and the website of Karvy i.e. https://evoting.karvy.com.
21. The results on above resolutions shall be declared within stipulated time limit and such results along with Scrutinizer's report, will be uploaded on the website of the Company i.e. www.ftindia.com and on service provider's website i.e. https://evoting.karvy.com and shall also be displayed on the Notice Board of the Company at its Registered Office/ Corporate Office. The results shall also be simultaneously communicated to BSE Limited and the National Stock Exchange of India Limited. The resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.

By Order of the Board
sd/-
Hariraj Chouhan
Vice President & Company Secretary

Place: Pawana Nagar, Pune
Date: August 08, 2015

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts relating to special business;

Item No. 4 & 5:

The Board of Directors at its meeting held on November 07, 2014, on the recommendation of the Nomination and Remuneration Committee appointed Mr. Anil Singhvi (DIN: 00239589) and Mr. Berjis Desai (DIN: 00153675) as Additional Directors in terms of Section 161 and other applicable provisions, if any, of the Companies Act, 2013 to hold office up to the date of the ensuing Annual General Meeting (AGM) of the Company. The Company has received a notice in writing from members along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Anil Singhvi and Mr. Berjis Desai for the office of Directors of the Company. Both Mr. Anil Singhvi and Mr. Berjis Desai are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013.

The detailed profiles of Mr. Anil Singhvi and Mr. Berjis Desai, Directorships and Committee positions held by them in other Companies is included separately in this Notice. The Board of Directors propose the appointment of both Mr. Anil Singhvi and Mr. Berjis Desai as a Non-Executive and Non-Independent Directors of the Company and recommend the Ordinary Resolutions as set out in Item No. 4 & 5 of this Notice for the approval of the members. Other than Mr. Anil Singhvi and Mr. Berjis Desai, in their respective resolutions, none of the other Directors, Key Managerial Personnel or their relatives is in any way, concerned or interested, in the proposed Ordinary Resolution.

Item No. 6:

The Board of Directors at its meeting held on November 20, 2014, on the recommendation of the Nomination and Remuneration Committee appointed Ms. Nisha Dutt (DIN: 06465957) as an Additional Director in terms of Section 161 and other applicable provisions, if any, of the Companies Act, 2013 to hold office up to the date of the ensuing Annual General Meeting (AGM) of the Company. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Ms. Nisha Dutt for the office of Independent Director to be appointed pursuant to provisions of section 149 of the Companies Act, 2013.

The detailed profile of Ms. Nisha Dutt, Directorship and Committee position held by her in other Companies is included separately in this Notice. In the opinion of Board of Directors, Ms. Nisha Dutt fulfills the conditions specified in the Companies Act, 2013 and Listing Agreement for being an independent director and hence, propose her appointment as a Non-Executive and Independent Director on the Board of the Company for the period of 5 years and recommend the Ordinary Resolution as set out in Item No. 6 of the Notice for the approval of the members. Ms. Nisha Dutt brings along vast experience in consulting and technology in both mainstream and development projects which in the opinion of the Board, shall be a great resource for the Company. Other than Ms. Nisha Dutt, none of the other Directors, Key Managerial Personnel or their relatives is in any way, concerned or interested, in the proposed resolution.

Item No. 7 & 8:

The Board of Directors at its meeting held on November 20, 2014, on the recommendation of the Nomination and Remuneration Committee appointed Mr. Sunil Shah (DIN: 02569359) and Mr. Miten Mehta (DIN: 06749055) as Additional Directors in terms of Section 161 and other applicable provisions, if any, of the Companies Act, 2013 to hold office up to the date of the ensuing Annual General Meeting (AGM) of the Company. The Company has received a notice in writing from members along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing their candidature for the office of Directors of the Company. Both Mr. Sunil Shah & Mr. Miten Mehta are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013.

The detailed profiles of Mr. Sunil Shah & Mr. Miten Mehta, Directorship and Committee position held by them in other Companies is included separately in this Notice. The Board of Directors propose the appointment of both the Directors as Non-Executive and Non-Independent Directors of the Company, liable to retire by rotation, and recommend the ordinary resolutions as set out in Item No. 7 & 8 of the Notice for the approval of the members. Other than Mr. Sunil Shah & Mr. Miten Mehta, in their respective resolutions, none of the other Directors, Key Managerial Personnel or their relatives is in any way, concerned or interested, in the proposed ordinary resolutions.

By Order of the Board
sd/-
Hariraj Chouhan
Vice President & Company Secretary

Place: Pawana Nagar, Pune
Date: August 08, 2015

DETAILS OF DIRECTORS (AS ON MARCH 31, 2015) SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

(Pursuant to Clause 49 of the Listing Agreement)

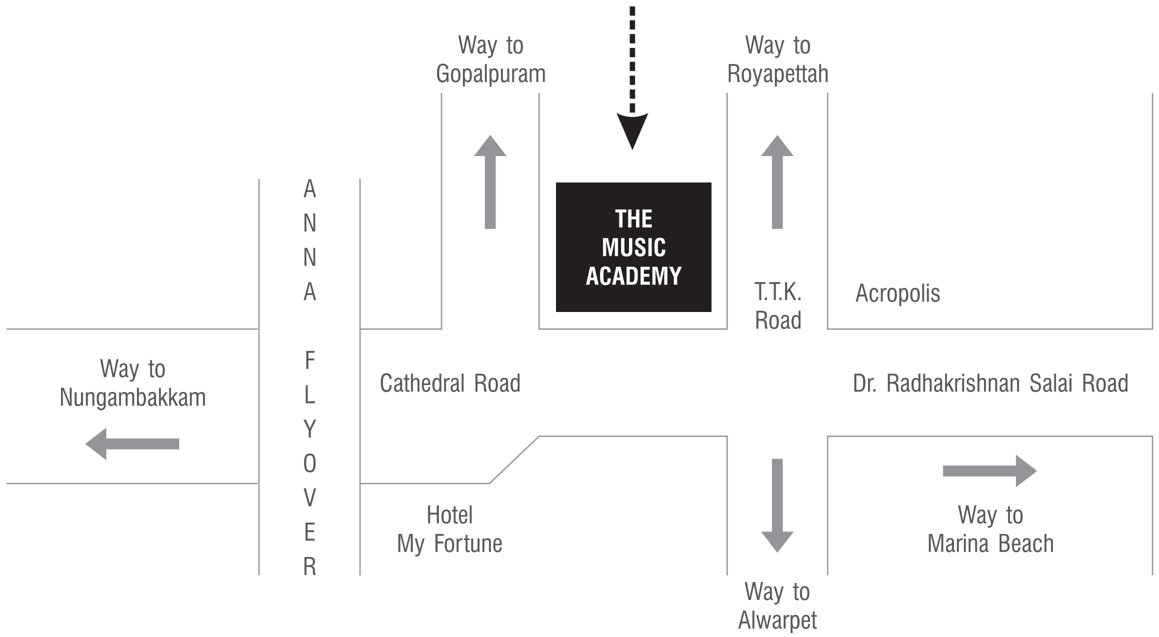
Name of the Director	Mr. Anil Singhvi	Mr. Berjis Desai	Ms. Nisha Dutt	Mr. Sunil Shah	Mr. Miten Mehta
DIN	00239589	00153675	06465957	02569359	06749055
Age	55 years	58 years	39 years	55 years	45 years
Date of Birth	June 30, 1959	August 2, 1956	February 16, 1976	January 26, 1960	June 20, 1969
Date of Appointment on the Board	November 7, 2014	November 7, 2014	November 20, 2014	November 20, 2014	November 20, 2014
Qualifications	Chartered Accountant	Law Graduate, Mumbai University and Post-Graduate in Law, Cambridge University, U.K	M.S., Oklahoma State University and MBA, Ohio University	BBA and SME Program, IIM, Ahmedabad	Bachelor of Engineering, University of Pune, Dartmouth E-commerce Program, Kellogg Executive Program
Expertise in specific functional area	Corporate & PE Advisor	Specialization in financial and international business laws and international commercial arbitration.	Expert in developing startup ecosystems for creating large scale impact, and market development	Strategic Advisor and Motivational Specialist	Specialist in technology start-up ventures, ecosystem partnerships, Angel/seed investments
Relationship with other Directors, Manager and other Key Managerial Personnel	Nil	Nil	Nil	Nil	Nil

Name of the Director	Mr. Anil Singhvi	Mr. Berjis Desai	Ms. Nisha Dutt	Mr. Sunil Shah	Mr. Miten Mehta
Directorship held in other Companies (excluding foreign Companies)	(i) Ican Investments Pvt Ltd., (ii) Hindustan Construction Company Ltd., (iii) Institutional Investor Advisory Services India Ltd., (iv) HCC Infrastructure Company Ltd., (v) Subex Ltd., (vi) Greatship (India) Ltd., (vii) Lavasa Corporation Ltd.	(i) Man Infraconstruction Ltd., (ii) Praj Industries Ltd., (iii) Emcure Pharmaceuticals Ltd., (iv) The Great Eastern Shipping Co. Ltd., (v) Greatship (India) Ltd., (vi) Edelweiss Financial Services Ltd., (vii) Himatsingka Seide Ltd., (viii) Adani Enterprises Ltd., (ix) Inventurus Knowledge Solutions Pvt Ltd., (x) Centrum Fiscal Pvt Ltd., (xi) Capricorn Studfarm Pvt Ltd., (xii) Capricorn Agrifarms & Developers Pvt Ltd., (xiii) Equine Bloodstock Pvt Ltd., (xiv) Praj HiPurity Systems Limited	(i) Intellecap Software Technologies Pvt Ltd., (ii) Intellectual Capital Advisory Services Pvt Ltd., (iii) Subex Ltd.	(i) Motivation Engineers Infrastructure Pvt Ltd., (ii) Vibrant Motivation and Development Foundation	NIL

Name of the Director	Mr. Anil Singhvi	Mr. Berjis Desai	Ms. Nisha Dutt	Mr. Sunil Shah	Mr. Miten Mehta
Chairmanship/ Membership of committees of other Companies (includes Audit Committee, Stakeholders Relationship Committee and Nomination and remuneration Committee)	**Chairmanship of Board Committees:** 1. Subex Limited - Audit Committee and Remuneration Committee 2. Lavasa Corporation Limited - Audit Committee 3. Hindustan Construction Company Limited –Remuneration Committee **Member of Board Committees:** 1. Hindustan Construction Company Limited – Audit Committee 2. Subex Limited – Stakeholders Relationship Committee	**Chairmanship of Board committees:** 1.Praj Industries Limited - Audit Committee and Remuneration Committee 2. Man Infraconstruction Ltd - Stakeholders Relation Committee **Member of Board Committees:** 1. The Great Eastern Shipping Co. Limited – Audit Committee and Remuneration Committee 2. Edelweiss Financial Services Limited – Shareholders / Investors Grievance Committee, Audit Committee 3. Man Infraconstruction Limited – Audit Committee 4. Greatship (India) Limited – Audit Committee and Remuneration Committee 5. Emcure Pharmaceuticals Limited – Audit Committee and Remuneration Committee	NIL	NIL	NIL
Number of Board Meetings attended during the financial year	6	3	4	6	4
No of shares held in the Company	NIL	NIL	NIL	NIL	NIL

ROAD MAP TO THE AGM VENUE

Venue of 27th AGM of Financial Technologies (India) Limited
Kasturi Srinivasan Hall, **The Music Academy**, New No.168, TTK Road, Royapettah, Chennai-600 014.



Financial Technologies
Creating Markets. Unlocking Value.™

FINANCIAL TECHNOLOGIES (INDIA) LIMITED
Regd. Office: Shakti Tower-1, 7th Floor, Premises-E, 766, Anna Salai, Thousand Lights, Chennai 600 002.
Tel: +91-22-6686 8010 | Fax: +91-22-6725 0257 | E-mail: info@ftindia.com | Website: www.ftindia.com
CIN: L29142TN1988PLC015586

ATTENDANCE SLIP

I / We record my / our presence at the 'TWENTY SEVENTH ANNUAL GENERAL MEETING' of the Company to be held on Wednesday, September 30, 2015 at 4:00 p.m. at Kasturi Srinivasan Hall, The Music Academy, New no. 168, T.T.K Road, Royapettah, Chennai - 600 014.

Full Name of the Member(s) /Proxy (In Block Letters):…………………………………………………………………………………………
No. of Shares held ……………………………………………Folio No. / DP ID and Client ID……………………………………………

Signature(s) of the Member(s) / Proxy 1 ……………………………………………… 2 ………………………………………………

Note: 1. Members attending the meeting in-person or by proxy are requested to complete the attendance slip and deposit with the Company Officials at the venue of the Meeting.
2. Members are requested to bring their copies of the Annual Report at the AGM.

Form No. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member (s):	
Registered address:	
E-mail ID:	
Folio No./Client ID- DP ID:	

I/We, being the member(s) of ____________________ shares of the above named company, hereby appoint;

1. Name: Address:
   E-mail Id: Signature:________________, or failing him/her;
2. Name: Address:
   E-mail Id: Signature:________________, or failing him/her;
3. Name: Address:
   E-mail Id: Signature: ______________________________

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Twenty Seventh Annual General Meeting of the Company, to be held on Wednesday, September 30, 2015 at 4:00 pm at Kasturi Srinivasan Hall, The Music Academy, New no. 168, T.T.K Road, Royapettah, Chennai - 600 014 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. no.	**Resolution**	**Vote (Optional – See Note 2)**		
Ordinary Business:		For	Against	Abstain
1	Adoption of Audited Financial Statement (Standalone & Consolidated), Reports of the Board of Directors and Auditors for the F.Y ended March 31, 2015			
2	Confirmation of payment of Interim Dividend(s) and to declare a Final Dividend on Equity Shares.			
3	Appointment of Statutory Auditors and authorize Board to fix their remuneration.			
Special Business:				
4	Appointment of Mr. Anil Singhvi as Director, liable to retire by rotation.			
5	Appointment of Mr. Berjis Desai as Director, liable to retire by rotation.			
6	Appointment of Ms. Nisha Dutt as an Independent Director, not liable to retire by rotation.			
7	Appointment of Mr. Sunil Shah as Director, liable to retire by rotation.			
8	Appointment of Mr. Miten Mehta as Director, liable to retire by rotation.			

Signed this _____________ day of ________ 2015.

Affix
Revenue
Stamp

Signature of shareholder : _____________________ Signature of Proxy holder (s) : _____________________

Note: 1) This proxy form in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2) It is optional to put a '✓' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

FINANCIAL TECHNOLOGIES (INDIA) LIMITED

Regd. Office: Shakti Tower-1, 7th Floor, Premises-E, 766, Anna Salai, Thousand Lights, Chennai 600 002.
Corporate Office: FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai 400 093.
Tel: +91-22-66868010 | Fax: +91-22-67250257 | email: info@ftindia.com | website: www.ftindia.com
CIN: L29142TN1988PLC015586

Serial No. :

Name & Registered address of the Sole / First named Member :

Name(s) of the joint Member(s), if any :

Registered Folio No. / DP & Client ID No. :

Number of Shares held :

Dear Member,

Sub: Voting through electronic means

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, Financial Technologies (India) Limited ("FTIL" or "the Company") is offering e-voting facility to its members in respect of the businesses to be transacted at the Twenty Seventh Annual General Meeting (AGM) scheduled to be held on Wednesday, September 30, 2015 at 4:00 p.m.

The Company has engaged the services of Karvy Computershare Private Limited ("KCPL" or "Karvy") as the authorised agency to provide e-voting facility. The e-voting particulars are set out below:

Even (E-Voting Event Number)	USER ID	PASSWORD/PIN

The e-voting facility will be available during the following voting period:

Commencement of e-voting	End of e-voting
September 26, 2015 (09:00 a.m. onwards)	September 29, 2015 (upto 05:00 p.m.)

The cut-off date for the purpose of e-voting is September 23, 2015.

Any person who acquires shares of the Company and becomes member of the Company after the dispatch of the Notice of AGM and holds shares as on the cut-off date i.e. September 23, 2015, may obtain the user ID and password by sending an email request to Karvy at **evoting@karvy.com**. Members can also contact Karvy at 1800 345 4001 (toll free).

Please read the instructions printed overleaf before exercising the vote. This communication forms an integral part of the Notice dated August 08, 2015 for the Twenty Seventh Annual General Meeting scheduled to be held on September 30, 2015, which is being mailed to you along with the full Annual Report for the financial year 2014-15 of the Company. Attention is invited to the statement in the accompanying Notice that the business of the meeting may be transacted through electronic voting system and that the Company is providing facility for voting by electronic means.The Notice of the Annual General Meeting and this Communication are also available on the website of the Company i.e. **www.ftindia.com**.

Yours faithfully,
For Financial Technologies (India) Limited

Sd/-
Hariraj Chouhan
Vice President & Company Secretary

Place : Pawana Nagar, Pune
Date : August 08, 2015

Instructions and other information relating to e-voting are as under:

A. **In case a Member receives an email from Karvy** [for members whose email IDs are registered with the Company/ Depository Participant(s)]:

i. Launch internet browser by typing the URL: **https://evoting.karvy.com**

ii. Enter the login credentials (i.e. User ID and password mentioned overleaf). Your Folio No./DP ID- Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential**.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the E-Voting Event Number for Financial Technologies (India) Limited.

vii. On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as mentioned overleaf. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.

viii. Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.

ix. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xii. Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: **bnandassociates.scrutinizer@gmail.com**. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."

B. **In case a Member receives physical copy of the Annual General Meeting Notice by Post** [for members whose email IDs are not registered with the Company / Depository Participant(s)]:

i. User ID and initial password as provided overleaf.

ii. Please follow all steps from Sr.No.(i) to (xii) as mentioned in (A) above, to cast your vote.

C. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote electronically shall not be allowed to vote on the said items again at the Meeting. In case a member casts votes by both modes, then voting done through evoting shall prevail.

D. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website: **https://evoting.karvy.com**. In case of any grievances connected with e-voting, members may kindly contact Mr. P.A. Varghese of Karvy Computershare Pvt. Ltd. at Tel. no. 040-67162222.

E. The voting rights of the Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. September 23, 2015.

F. The Board of Directors has appointed **Shri B. Narasimhan, Proprietor- BN & Associates, Practicing Company Secretaries, Mumbai, as a Scrutinizer** to scrutinize the e-voting process in a fair and transparent manner.

G. The Scrutinizer shall within a period not exceeding two days from the conclusion of the meeting unblock the votes in the presence of at least two witnesses not in the employment of the Company and will make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the meeting.

H. The Results on resolutions shall be declared within stipulated time limit after the Annual General Meeting of the Company and the resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favour of the Resolutions.

I. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company i.e. **www.ftindia.com** and on Karvy's website i.e. **https://evoting.karvy.com** and shall also be displayed on the Notice Board of the Companyat its Registered Office/Corporate Office.