



the new digital ecology

February 12, 2019

Listing Compliance, <b>BSE Limited</b> (Scrip Code: 526881) P. J. Towers, Dalal Street, Mumbai – 400 001	Listing Compliance, <b>National Stock Exchange of India Limited</b> (Scrip Code: 63MOONS) Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051
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Dear Sirs,

**Sub: Unaudited Financial Results (Standalone) alongwith Limited Review Report for the third quarter and nine months ended 31<sup>st</sup> December 2018**

Pursuant to applicable Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please be informed that the Board of Directors of the Company, at its meeting held today, inter-alia has approved the Unaudited Financial Results (Standalone) alongwith Limited Review Report for the third quarter and nine months ended 31<sup>st</sup> December 2018.

Please find enclosed herewith a copy of Financial Results and Limited Review Report for your records.

The meeting commenced at 2.30 p.m. and concluded at 5.05 p.m.

Kindly acknowledge receipt and take the above information on your record.

Thanking You,

Yours faithfully,

For 63 moons technologies limited

Hariraj Chouhan

Sr. VP & Company Secretary



Encl: a/a

**63 moons technologies limited**

(Formerly Financial Technologies (India) Ltd.)

Corporate Office: FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai 400 093, India.  
T: +91 22 66868010 | F: +91 22 66868050 | E: info@63moons.com | W: www.63moons.com

Registered Office: Shakti Tower - 1, 7<sup>th</sup> floor, Premises E, 766, Anna Salai, Thousand Lights, Chennai - 600 002.  
T: +91 44 4395 0850 | F: +91 44 4395 0899 | CIN No.: L29142TN1988PLC015586



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

Regd. Office: Shakti Towers-1,E,7th Floor,766,

Anna Salai, Thousand Lights,

Chennai - 600002.

CIN - L29142TN1988PLC015586

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018

(₹ in lakhs, except per equity share data)

Sr. No.	PARTICULARS	Quarter ended			Nine Months ended		Year Ended
		31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	<b>Income</b>						
1	Operating Income						
	a) Revenue from Operations	3,978.88	3,153.56	3,206.93	11,288.99	19,501.39	22,543.48
	b) Other Operating Income	33.60	33.59	31.49	100.78	94.47	128.06
2	Other Income (net) (Refer Note 3)	4,257.85	3,871.86	4,823.11	11,719.56	15,284.78	20,167.08
3	<b>Total Income (1+2)</b>	<b>8,270.33</b>	<b>7,059.01</b>	<b>8,061.53</b>	<b>23,109.33</b>	<b>34,880.64</b>	<b>42,838.62</b>
4	<b>Expenses</b>						
	a) Employee benefits expense	2,674.15	2,648.27	2,506.92	7,995.19	7,506.85	10,054.03
	b) Legal and professional charges	2,264.19	2,005.44	2,064.89	6,063.76	5,128.38	6,653.64
	c) Net loss on foreign currency transactions and translations	374.38	571.84	7.04	1,183.06	29.33	73.25
	d) Depreciation and amortisation expense	455.80	450.41	485.68	1,347.21	1,716.50	2,216.30
	e) Finance costs	131.01	134.26	143.28	388.49	612.72	722.55
	f) Reclassification of fair value loss from OCI on investment	-	-	-	-	1,881.06	1,881.06
	g) Other expenses	1,348.10	1,049.83	1,446.22	3,424.43	4,426.36	6,106.84
	<b>Total expenses</b>	<b>7,247.63</b>	<b>6,860.05</b>	<b>6,654.03</b>	<b>20,402.14</b>	<b>21,301.20</b>	<b>27,707.67</b>
5	<b>Profit before Exceptional items (3-4)</b>	<b>1,022.70</b>	<b>198.96</b>	<b>1,407.50</b>	<b>2,707.19</b>	<b>13,579.44</b>	<b>15,130.95</b>
6	Exceptional items (Refer Note 4)	(3,143.25)	-	(706.66)	(501.67)	(5,011.66)	(8,157.58)
7	<b>Profit (Loss) before tax (5+6)</b>	<b>(2,120.55)</b>	<b>198.96</b>	<b>700.84</b>	<b>2,205.52</b>	<b>8,567.78</b>	<b>6,973.37</b>
8	Tax expense	512.70	97.33	468.34	1,239.25	5,205.03	5,335.61
9	<b>Net Profit (Loss) for the period (7-8)</b>	<b>(2,633.25)</b>	<b>101.63</b>	<b>232.50</b>	<b>966.27</b>	<b>3,362.75</b>	<b>1,637.76</b>
10	Other Comprehensive Income	(57.48)	0.80	80.24	(84.46)	1,456.26	1,501.59
11	<b>Total Comprehensive Income (9+10)</b>	<b>(2,690.73)</b>	<b>102.43</b>	<b>312.74</b>	<b>881.81</b>	<b>4,819.01</b>	<b>3,139.35</b>
12	Paid-up equity share capital (Face value ₹ 2/- per share)	921.57	921.57	921.57	921.57	921.57	921.57
13	Reserves excluding revaluation reserves						285,654.17
14	Earnings per share (Face Value ₹ 2/- per share)						
	Basic / Diluted (₹) (not annualised)	(5.71)	0.22	0.50	2.10	7.30	3.55

Notes:

- These above financial results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on February 12, 2019.
- Effective April 01, 2018, the Company had adopted Ind AS 115 "Revenue from Contract with customers" by applying the cumulative catch-up effect method to all the contracts that were not completed as of April 01, 2018 and accordingly, the comparative information has not been restated. The adoption of the standard did not have any significant impact to the financial statements of the company.



## 3. Other Income consists of:

(₹ in lakhs)

Particulars	Quarter ended			Nine Months ended		Year Ended
	31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
(a) Change in fair valuation of Investments	177.44	124.57	105.40	409.76	270.43	548.84
(b) Interest Income	3,921.84	3,593.81	4,558.27	10,829.43	14,321.50	18,733.57
(c) Others (net)	158.57	153.48	159.44	480.37	692.85	884.67
	<b>4,257.85</b>	<b>3,871.86</b>	<b>4,823.11</b>	<b>11,719.56</b>	<b>15,284.78</b>	<b>20,167.08</b>

## 4. Exceptional item Consists of:

(₹ in lakhs)

Particulars	Quarter ended			Nine Months ended		Year Ended
	31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
(a) Allowance for expected credit loss on investment in subsidiaries	-	-	(2,006.66)	(501.67)	(6,311.66)	(6,311.66)
(b) Impairment of Bonds	-	-	-	-	-	(3,145.92)
(c) Net Gain on Sale of Equity Shares*	-	-	1,300.00	-	1,300.00	1,300.00
(d) Reversal of write back of credit loss on loan given to subsidiary (refer note below)	(3,143.25)	-	-	-	-	-
	<b>(3,143.25)</b>	<b>-</b>	<b>(706.66)</b>	<b>(501.67)</b>	<b>(5,011.66)</b>	<b>(8,157.58)</b>

\* Partial amount released from balance in escrow account created on sale of shares

During the previous quarter ended June 2018, NSEL discharged its liability towards invocation Corporate Guarantee provided by the Company to a bank the extent of Principal amount of ₹ 3143.25 lakhs, out of partial recovery of dues from NAFED for which corporate guarantee was provided. Since the amount was written off in the Company's book earlier, it was written back in quarter ended June 2018. Subsequently some parties have filed Notice of Motion and Contempt Petition before the Hon'ble Bombay High Court, wherein the Plaintiffs have wrongly alleged that NSEL and the Company are in contempt of court by having willfully and deliberately breached the Orders of the Court. By way of abundant caution and without prejudice to its rights, remedies and defenses in the said Notice of Motion and Contempt Petition or otherwise, the Company has, after due deliberations and consideration, returned the said amount of ₹ 3143.25 lakhs to NSEL in January 2019. Hence the earlier reversal carried out in the Quarter ended June 2018 has been reversed during the current quarter.

## 5. Segment wise Revenues and Results (standalone):

(₹ in lakhs)

Particulars	Quarter ended			Nine Months ended		Year Ended
	31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Segment Revenue</b>						
STP Technologies / Solutions	3,903.23	3,071.71	2,958.56	11,018.15	18,307.27	21,280.08
Others	109.25	115.44	279.86	371.62	1,288.59	1,391.46
<b>Total Income From Operations</b>	<b>4,012.48</b>	<b>3,187.15</b>	<b>3,238.42</b>	<b>11,389.77</b>	<b>19,595.86</b>	<b>22,671.54</b>
<b>Segment Results</b>						
STP Technologies / Solutions	2,037.70	1,221.76	1,268.84	5,482.48	13,147.66	14,406.19
Others	100.28	106.98	56.73	345.38	259.97	348.10
<b>Total</b>	<b>2,137.98</b>	<b>1,328.74</b>	<b>1,325.57</b>	<b>5,827.86</b>	<b>13,407.63</b>	<b>14,754.29</b>
Less : Finance Costs	131.01	134.26	143.28	388.49	612.72	722.55
Add : Unallocable Income [other income (net)]	4,257.85	3,871.86	4,823.11	11,719.56	15,284.78	20,167.08
Less : Unallocable Expenses	5,242.12	4,867.38	4,597.90	14,451.74	14,500.25	19,067.87
Add : Exceptional Item	(3,143.25)	-	(706.66)	(501.67)	(5,011.66)	(8,157.58)
<b>Profit before tax</b>	<b>(2,120.55)</b>	<b>198.96</b>	<b>700.84</b>	<b>2,205.52</b>	<b>8,567.78</b>	<b>6,973.37</b>

a) Segments have been identified considering the organization structure and the return/risk profiles of the business.

b) STP Technologies / Solutions segment represents Straight through Processing Solutions and includes an integrated mix of various products, projects and activities incidental thereto. Others represent trading activities, process management services and shared business support and IT Infrastructure sharing services.



- c) Due to diversified nature of business, significant assets are interchangeably used between segments and the management believes that it is currently not practicable to provide segment disclosure relating to capital employed since a meaningful segregation is not possible.
6. Hon'ble Bombay High Court passed an ad interim order dated September 30, 2015 inter alia restraining the Company from distributing any dividend or depositing the same in the dividend distribution account in accordance with the provisions of the Companies Act, 1956 (to be read as Companies Act, 2013) pending the final hearing and disposal of the Notice of Motion. This Notice of Motion was filed in one of the suits. The matter is pending before the Hon'ble Bombay High Court. In compliance to the order, the Company has not distributed the final dividend for the financial year 2014-15 to the shareholders pursuant to the directions of the Hon'ble Bombay High Court and hence is not in default in compliance with the statutory provisions under the Companies Act, 2013. The Notice of Motions is pending for hearing. Further, the shareholders of the Company have approved final dividend for year 2016-17 and 2017-18 @ ₹ 2/- per share for each year, aggregating to ₹ 1,843.14 lakhs, subject to appropriate judicial order which is also pending for distribution to the shareholders due to aforesaid restrictions. Contempt petition was filed in the above matters alleging the violation of the orders of Bombay High Court. Show cause notice has been issued against NSEL and the Company. Reply has been filed by the Company in the show cause notice. All the Notice of Motions and the Contempt Petitions filed against the Company have been tagged together.
7. The writ petition filed by the Company challenging the legality and propriety of the Forward Markets Commission's (FMC) order on the Company inter alia declaring "not a fit & proper person" is pending for hearing before the Hon'ble Bombay High Court. The Company has filed civil appeals before Hon'ble Supreme Court challenging the Security Exchange Board of India (SEBI) Order and Central Electricity Regulatory Commission (CERC) order inter alia declaring the "Company not a fit and proper person to hold shares in recognized stock exchanges and power exchanges respectively", which are pending for hearing. The same will come up for hearing in due course before the respective courts.
8. On February 12, 2016, Ministry of Corporate Affairs ("MCA") passed a final order of amalgamation (Final Order) of National Spot Exchange Limited (NSEL) with the Company under Section 396 of the Companies Act, 1956. The Company had challenged the Final Order by way of a Writ Petition before the Hon'ble Bombay High Court, which was dismissed by the Hon'ble Bombay High Court by its order dated December 4, 2017. The Company has filed a Special Leave Petition against the said order dated December 4, 2017 before the Hon'ble Supreme Court of India. The Hon'ble Supreme Court of India was pleased to continue the relief of stay order of the Hon'ble Bombay High Court order dated December 4, 2017. Matter is pending for hearing.
9. The Union of India, through the Ministry of Corporate Affairs ("MCA"), has filed the Company Petition inter alia under Sections 397 and 398 read with Section 388B, 388C, 401, 402, 403, 406 and 408 of the Companies Act, 1956 (the "Act") before the Principal Bench of the Company Law Board at New Delhi (the "CLB"), inter-alia seeking removal and supersession of the Board of Directors of the Company. Subsequently, the matter has been transferred to NCLT, Chennai. The NCLT has by consent formed a committee to consider sale of the assets of the Company pursuant to regulatory directions / requirements, treasury management and funding requirements of the subsidiaries.
- The NCLT vide its order dated June 4, 2018, rejected the prayer of the Union of India for removal and supersession of the Board of the Company. The Company has preferred appeal before the NCLAT, Delhi, against the said order as it declared some of the directors of the Company as not fit and proper persons to hold the office as directors. The NCLAT was pleased to stay the order of the NCLT. Matter is pending for hearing.
10. a) During the previous years, civil suits have been filed against the Company in relation to the event that occurred on the exchange platform of NSEL, wherein the Company has been made a party. In these proceedings certain reliefs have been claimed against the Company, inter-alia, on the ground that the Company is the holding company of NSEL. These matters are pending before the Hon'ble Bombay High



Court for adjudication. The Company has denied all the claims and contentions in its reply. There is no privity of contract between the Company and the Plaintiffs therein. The management is of the view that the parties who have filed the Civil Suits would not be able to sustain any claim against the Company. The matters are pending for hearing before the Hon'ble Bombay High Court.

b) First Information Reports (FIRs) have been registered against various parties, including the Company, with the Economic Offences Wing of the Mumbai Police (EOW) and Central Bureau of Investigation (CBI) in connection with the events occurred on NSEL's trading platform. After investigation, EOW, Mumbai has presently filed 4 charge-sheets in the matter. CBI has filed charge-sheets against the Company for alleged loss caused to PSUs – PEC Ltd. & MMTC Ltd. on NSEL platform and the case is pending for trial before the CBI court.

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

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

11. a) The Company has filed a Writ Petition before the Bombay High Court challenging inter alia, the provisions of the MPID act are violative of Article 14 and 19 of the Constitution and the notification dated September 21, 2016, attaching the assets of the Company under the provisions of the Maharashtra Protection of Interest of Depositors Act. Presently the matter is pending for hearing.

b) The State Government under the MPID Act has attached several Bonds, bank accounts, investments, Fixed Deposits and ODIN software and its receivables of the Company vide gazette notifications dated April 04, 2018, April 07, 2018, April 11, 2018, April 17, 2018, April 19, 2018 May 15, 2018, September 19, 2018 and corrigendum dated September 27, 2018, the Competent Authority has filed Misc. Applications before the MPID Court to make absolute the attached properties mentioned in aforesaid gazette notifications. The said Misc. Applications are pending for hearing before Hon'ble MPID Court, Mumbai. The Company has filed a writ petition before the Bombay High Court challenging the validity of the aforesaid notifications attaching the various assets of the Company under the provisions of the MPID Act. The matter was admitted by the Hon'ble Court and by way of interim orders dated 24 October 2018, the Hon'ble Court was pleased to stay the notifications. The Court also stayed the notification dated 19th September 2018, to the extent of attaching the ODIN and its receivables and attachment of accrual benefits. The court also released further accrued returns in the form of amount from non-ODIN business. The state government and NSEL traders filed SLPs challenging the Hon'ble Bombay High Court order before the Hon'ble Supreme Court, which was dismissed by the Hon'ble Supreme Court.

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

13. The Serious Frauds Investigation Office (SFIO) published a Public Notice during December 2016 in a newspaper wherein it has been mentioned that the Central Government had directed the SFIO to investigate into the affairs of the Company and inviting the members of the public to lodge their alleged



grievances against the Company with them. The Company has furnished the information as requested by the SFIO from time to time.

14. Modulus Financial Engineering filed a copyright infringement suit against the Company claiming that the Company had breached the license granted by Modulus to the Company in the use of its ODIN software. The Company has denied all these claims in its reply and written statement. The Notice of Motion seeking interim relief against the Company has been disposed of by a consent order. The suit is pending for final hearing and disposal.
15. The Company has a total MAT credit entitlement of ₹ 9,115.62 lakhs as at December 31, 2018. The management of the Company is confident that the Company will be able to utilize unexpired MAT entitlement in future unexpired years.
16. Previous year/period figures have been regrouped/reclassified, wherever necessary, to conform to current period's presentation.
17. The qualifications made by the Statutory Auditors vide their Independent Auditors Review Report dated February 12, 2019 on the unaudited financial results for the quarter and nine months ended December 31, 2018 and the Management responses thereto are as under and basis for qualified opinion and Management responses thereto are as under:-

Note no. 10, 11, 12 and 13 form basis for our qualified conclusion. As stated by the Management of the Company in Note 10 to the Statement, Civil Suits have been filed against the Company in relation to event occurred on NSEL's trading platform. These matters are pending at various stages of adjudication. As stated in the said note, the management of the Company does not foresee that the parties who have filed Civil Suits would be able to sustain any claim against the Company. In addition, as stated by the management in note 10, 11, 12 and 13 to the Statement, there are First Information Reports/ complaints/ letters/ orders/ notices registered/ received against various parties including the Company from/ with the Economic Offences Wing of the Mumbai Police (EOW), Central Bureau of Investigation (CBI), Home Department - Government of Maharashtra under MPID Act, the Directorate of Enforcement and the Serious Frauds Investigation Office (SFIO). Above matters are pending at various stages of adjudication/investigation.

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

In the light of the above representations regarding the ongoing investigations and matters, the outcome of which is not known and is uncertain at this stage, we are unable to comment on the consequential impact in respect of the same on the results for the quarter and nine months ended December 31, 2018.

Management Response: Refer Note 10, 11, 12 and 13 above.

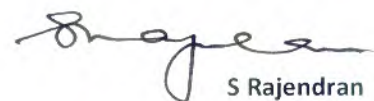


Place - Mumbai

Date : February 12, 2019



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

  
S Rajendran

Managing Director & CEO  
DIN- 02686150



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12 February 2019

To  
Sharp & Tannan Associates  
Chartered Accountants  
87, Nariman Bhavan,  
227, Nariman Point,  
Mumbai 400021

**Kind Attn: Tirtharaj Khot - Partner**

**Sub: Our Management's Representation Letter in connection with your carrying out review of the standalone financial statements of 63 moons technologies limited [formerly Financial Technologies (India) Limited] for the quarter and Nine months ended 31 December 2018.**

Dear Sir,

This representation letter is provided in connection with your review of the financial statements of **63 moons technologies limited [formerly Financial Technologies (India) Limited]** (the 'Company') for the quarter and Nine months ended 31 December 2018 for the purpose of expressing an conclusion as to whether anything has come to your attention that causes you to believe that the statement is not prepared in accordance with the Indian Accounting Standards ('Ind AS') as specified under Section 133 of the Companies Act, 2013, read with relevant rules and the relevant provisions of the Companies Act, 2013 and has not disclosed all information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

We acknowledge our responsibility for the preparation and fair presentation of the Statement in accordance with Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India (ICAI) and in accordance with the applicable accounting standards as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 and disclosure of all information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed.

We understand that your examination included such tests and procedures, as you considered necessary for the purpose of expressing conclusion on the statement. We also understand that such tests and procedures would not necessarily detect fraud, irregularities or error, should any exist. We acknowledge that control over and responsibility for the prevention and detection of fraud, irregularities and errors remains with us.

We confirm to the best of our knowledge and belief the representations given below:



## **63 moons technologies limited**

(Formerly Financial Technologies (India) Ltd.)

Corporate Office: FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai 400 093, India.  
T: +91 22 66868010 | F: +91 22 66868050 | E: info@63moons.com | W: www.63moons.com

Registered Office: Shakti Tower - 1, 7<sup>th</sup> floor, Premises E, 766, Anna Salai, Thousand Lights, Chennai - 600 002.  
T: +91 44 4395 0850 | F: +91 44 4395 0899 | CIN No.: L29142TN1988PLC015586



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### Corporate Information

The company was incorporated on 12 April 1988 under the provisions of the Companies Act, 1956. The Company is domiciled in India. The Company's registered office is at Shakti Tower – 1, 7<sup>th</sup> floor, Premises – E, 766, Anna Salai, Thousand Lights, Chennai – 600002. Tamilnadu, India. The Company has received fresh Certificate of Incorporation having CIN L29142TN1988PLC015586 dated May 27, 2016, from the Registrar of Companies (ROC), Chennai, pursuant to change of name of the Company from Financial Technologies (India) Limited to "63 moons technologies limited" and also received approval for alteration/ amendment of Main Object clause of the Memorandum of Association of the Company by way of addition of appropriate para in existing sub clause 5 of clause IIIA.

The company has principal place of business at FT Tower, CTS no. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai 400 093. The equity shares of the company are listed on the Bombay Stock Exchange and National Stock Exchange Limited. These Separate financial statements are presented in Indian Rupees, which is the Company's functional currency.

The principal activity of the company is that of Computer Programming, Consultancy and related services. 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 supports 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.

1. We confirm that we are responsible for and have complied with the following:
  - The 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; and
  - Selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent, in particular significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
2. We have made available to you all books of account and supporting documentation, and all minutes of meetings of board of directors held during the quarter.
3. To the best of our knowledge and information, there are no material transactions that have either been missed out from recording or have not been properly recorded in the accounting records underlying the Statement.
4. To the best of our knowledge and information, there has been no known actual or possible noncompliance with laws and regulations that could have a material effect on the Statement in the event of noncompliance.







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5. To the best of our knowledge and information, no fraud by the Company and no material fraud on the Company has been noticed or reported during the period.
6. We have to state that we have not come across any material misstatement as a result of our internal assessment/review.
7. We believe the effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the Statement taken as a whole.
8. The presentation and disclosure of the fair value measurements of assets and liabilities are in accordance with the applicable accounting standards as specified under section 133 of the Companies Act, 2013 and other recognized accounting practices and policies generally accepted in India. The assumptions used reflect our intent and ability to carry specific courses of action on behalf of the entity, where relevant to the fair value measurements or disclosure.
9. Effective April 01, 2018, the Company had adopted Ind AS 115 "Revenue from Contract with customers" by applying the cumulative catch-up effect method to all the contracts that were not completed as of April 01, 2018 and accordingly, the comparative information has not been restated. The adoption of the standard did not have any material impact to the Financial Statement of the Company for the quarter ended December 31, 2018.
10. The Company has a satisfactory title to all assets and there are no liens or encumbrances on the Company's assets except for those that are disclosed in the latest annual financial statements and financial results for the quarter then ended.
11. Currently, we have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the interim financial results. Accordingly there are no write downs required to be provided for during the period other than those considered in this result table prepared by us.
12. We have recorded or disclosed, as appropriate, all liabilities, both actual and contingent, and wherever necessary we have provided for the same.
13. We have fully recorded or disclosed, as appropriate, all income earned and realized or realizable by the Company during the period as per accounting policies followed consistently.
14. Except as disclosed in the statement, the results for the period were not materially affected by:
  - transactions of a nature not usually undertaken by the Company;
  - circumstances of an exceptional or non-recurring nature;
  - charges or credits relating to prior years;
  - changes in accounting policies.
15. During the period there are no Bank Accounts, whether in operation or not, in the name of the Company other than those disclosed in Books of Account.





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16. To the best of our knowledge and information, there have been no irregularities involving management or employees who have significant role in the system of internal control that could have a material effect on the financial results.
17. The company has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.
18. The Company has not paid/charged any personal expenses of employees/consultants, which are not in accordance with the terms of their appointment/contracts/ or any personal expenses of persons who are not the employees of the company except legal related expense pertaining to the matters relating to National Spot Exchange Limited (NSE) crisis.
19. There are no transactions of the Company, which are represented merely by book entries.
20. We have provided proper and accurate data to capture the Earnings per Share.
21. We represent that transactions entered in to with related parties, wherever applicable, have been done in the normal course of business and at an arm's length price.
22. The Company has a total MAT credit entitlement of ₹ 9,115.62 lakhs as at 31 December 2018. We are confident that the Company will be able to utilize unexpired MAT credit entitlement in future projected years.
23. We confirm that unbilled revenue as on 31<sup>st</sup> December 2018 is ₹ 892.11 Lakhs.
24. Provision towards other than temporary diminution in the value of investments and towards loans and advances as at 31 December 2018 is considered to be adequate.
25. To the best of our knowledge and belief, the statement is free of material misstatements, including omissions.
26. The statement has been prepared on a going-concern basis and it discloses all of the matters of which we are aware that are relevant to the entity's ability to continue as a going concern, including significant conditions and events, and our plans.
27. The Company has complied with all aspects of contractual agreements that could have a material effect on the financial statements. There have been no cases of non-compliance with requirements of regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.
28. The company has identified and disclosed the segment information as per the provisions of applicable Ind AS and SEBI disclosures.
29. We believe that the significant assumptions we used in making accounting estimates, are reasonable.





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30. The Minutes of the meetings of the Shareholders and Directors and the Registers required to be maintained under the Companies Act are complete and authentic.
31. These above financial results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on February 12, 2019.
32. Hon'ble Bombay High Court passed an ad interim order dated September 30, 2015 inter alia restraining the Company from distributing any dividend or depositing the same in the dividend distribution account in accordance with the provisions of the Companies Act, 1956 (to be read as Companies Act, 2013) pending the final hearing and disposal of the Notice of Motion. This Notice of Motion was filed in one of the suits. The matter is pending before the Hon'ble Bombay High Court. In compliance to the order, the Company has not distributed the final dividend for the financial year 2014-15 to the shareholders pursuant to the directions of the Hon'ble Bombay High Court and hence is not in default in compliance with the statutory provisions under the Companies Act, 2013. The Notice of Motions is pending for hearing. Further, the shareholders of the Company have approved final dividend for year 2016-17 and 2017-18 @ ₹ 2/- per share for each year, aggregating to ₹ 1,843.14 lakhs, subject to appropriate judicial order which is also pending for distribution to the shareholders due to aforesaid restrictions. Contempt petition was filed in the above matters alleging the violation of the orders of Bombay High Court. Show cause notice has been issued against NSEL and the Company. Reply has been filed by the Company in the show cause notice. All the Notice of Motions and the Contempt Petitions filed against the Company have been tagged together.
33. The writ petition filed by the Company challenging the legality and propriety of the Forward Markets Commission's (FMC) order on the Company inter alia declaring "not a fit & proper person" is pending for hearing before the Hon'ble Bombay High Court. The Company has filed civil appeals before Hon'ble Supreme Court challenging the Security Exchange Board of India (SEBI) Order and Central Electricity Regulatory Commission (CERC) order inter alia declaring the "Company not a fit and proper person to hold shares in recognized stock exchanges and power exchanges respectively", which are pending for hearing. The same will come up for hearing in due course before the respective courts.
34. On February 12, 2016, Ministry of Corporate Affairs ("MCA") passed a final order of amalgamation (Final Order) of National Spot Exchange Limited (NSEL) with the Company under Section 396 of the Companies Act, 1956. The Company had challenged the Final Order by way of a Writ Petition before the Hon'ble Bombay High Court, which was dismissed by the Hon'ble Bombay High Court by its order dated December 4, 2017. The Company has filed a Special Leave Petition against the said order dated December 4, 2017





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before the Hon'ble Supreme Court of India. The Hon'ble Supreme Court of India was pleased to continue the relief of stay order of the Hon'ble Bombay High Court order dated December 4, 2017. Matter is pending for hearing.

35. The Union of India, through the Ministry of Corporate Affairs ("MCA"), has filed the Company Petition inter alia under Sections 397 and 398 read with Section 388B, 388C, 401, 402, 403, 406 and 408 of the Companies Act, 1956 (the "Act") before the Principal Bench of the Company Law Board at New Delhi (the "CLB"), inter-alia seeking removal and supersession of the Board of Directors of the Company. Subsequently, the matter has been transferred to NCLT, Chennai. The NCLT has by consent formed a committee to consider sale of the assets of the Company pursuant to regulatory directions / requirements, treasury management and funding requirements of the subsidiaries.

The NCLT vide its order dated June 4, 2018, rejected the prayer of the Union of India for removal and supersession of the Board of the Company. The Company has preferred appeal before the NCLAT, Delhi, against the said order as it declared some of the directors of the Company as not fit and proper persons to hold the office as directors. The NCLAT was pleased to stay the order of the NCLT. Matter is pending for hearing.

36. a) During the previous years, civil suits have been filed against the Company in relation to the event that occurred on the exchange platform of NSEL, wherein the Company has been made a party. In these proceedings certain reliefs have been claimed against the Company, inter-alia, on the ground that the Company is the holding company of NSEL. These matters are pending before the Hon'ble Bombay High Court for adjudication. The Company has denied all the claims and contentions in its reply. There is no privity of contract between the Company and the Plaintiffs therein. The management is of the view that the parties who have filed the Civil Suits would not be able to sustain any claim against the Company. The matters are pending for hearing before the Hon'ble Bombay High Court.

b) First Information Reports (FIRs) have been registered against various parties, including the Company, with the Economic Offences Wing of the Mumbai Police (EOW) and Central Bureau of Investigation (CBI) in connection with the events occurred on NSEL's trading platform. After investigation, EOW, Mumbai has presently filed 4 charge-sheets in the matter. CBI has filed charge-sheets against the Company for alleged loss caused to PSUs – PEC Ltd. & MMTC Ltd. on NSEL platform and the case is pending for trial before the CBI court.

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





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- d) The CBI - EOW, has registered complaint against the Company along with certain officials of FMC, SEBI and other for giving illegal benefits to Multi Commodity Exchange of India Limited (MCX) and allowing MCX trading as private commodity exchange. The investigation in the matter is still in progress.
37. a) The Company has filed a Writ Petition before the Bombay High Court challenging inter alia, the provisions of the MPID act are violative of Article 14 and 19 of the Constitution and the notification dated September 21, 2016, attaching the assets of the Company under the provisions of the Maharashtra Protection of Interest of Depositors Act. Presently the matter is pending for hearing.
- b) The State Government under the MPID Act has attached several Bonds, bank accounts, investments, Fixed Deposits and ODIN software and its receivables of the Company vide gazette notifications dated April 04, 2018, April 07, 2018, April 11, 2018, April 17, 2018, April 19, 2018 May 15, 2018, September 19, 2018 and corrigendum dated September 27, 2018, the Competent Authority has filed Misc. Applications before the MPID Court to make absolute the attached properties mentioned in aforesaid gazette notifications. The said Misc. Applications are pending for hearing before Hon'ble MPID Court, Mumbai. The Company has filed a writ petition before the Bombay High Court challenging the validity of the aforesaid notifications attaching the various assets of the Company under the provisions of the MPID Act. The matter was admitted by the Hon'ble Court and by way of interim orders dated 24 October 2018, the Hon'ble Court was pleased to stay the notifications. The Court also stayed the notification dated 19th September 2018, to the extent of attaching the ODIN and its receivables and attachment of accrual benefits. The court also released further accrued returns in the form of amount from non-ODIN business. The state government and NSEL traders filed SLPs challenging the Hon'ble Bombay High Court order before the Hon'ble Supreme Court, which was dismissed by the Hon'ble Supreme Court.
38. Certain assets of the Company have been attached by the Enforcement Directorate under the provisions of the Prevention of Money Laundering Act, 2002. The three Provisional Attachments Orders have been confirmed by the Adjudicating Authority. The Company has filed Appeals challenging the confirmation orders passed by the Adjudicating Authority, before the Hon'ble Appellate Tribunal. The Hon'ble Appellate Tribunal has granted status quo on orders passed by the Adjudicating Authority confirming three attachments. Matter is pending for hearing. The Enforcement Directorate has filed a prosecution complaint before the Spl. PMLA Court against the Company and the same is pending for hearing.
39. The Serious Frauds Investigation Office (SFIO) published a Public Notice during December 2016 in a newspaper wherein it has been mentioned that the Central Government had directed the SFIO to investigate into the affairs of the Company and inviting the members





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of the public to lodge their alleged grievances against the Company with them. The Company has furnished the information as requested by the SFIO from time to time.

40. Modulus Financial Engineering filed a copyright infringement suit against the Company claiming that the Company had breached the license granted by Modulus to the Company in the use of its ODIN software. The Company has denied all these claims in its reply and written statement. The Notice of Motion seeking interim relief against the Company has been disposed of by a consent order. The suit is pending for final hearing and disposal.
41. Apart from the litigations mentioned in the Statement, to the best of our knowledge and belief, there are no claims, litigations, potential settlements involving the Company directly or indirectly which require adjustments to/disclosures in the Statement and that the ability of the Company to carry out its day-to-day operations/activities are not seriously affected due to any such order/ notice as aforesaid.
42. To the best of our knowledge and belief, no events have occurred subsequent to the balance sheet date and through the date of this letter that may require adjustment to or disclosure in the aforementioned interim financial results other than those matters which have been already disclosed.
43. The company has not received any communication neither from SFIO nor from MCA w.r.t. news item appearing on 26 September, 2018.

Thanking you,  
Yours sincerely,  
For 63 moons technologies limited  
(formerly Financial Technologies (India) Limited)

  
Venkat R Chary  
Chairman Audit  
Committee

  
S Rajendran  
MD & CEO

  
Devendra Agrawal  
WTD-CFO

  
Hariraj Chouhan  
Company Secretary

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

Dear Sirs,

**Sub: Limited review report on standalone unaudited financial results of 63 moons technologies limited [formerly Financial Technologies (India) Limited] for the quarter and nine months ended 31 December 2018**

### Introduction

1. We have reviewed the accompanying statement of standalone unaudited financial results (the 'Statement') of **63 moons technologies limited [formerly Financial Technologies (India) Limited]** ('the Company'), for the quarter and nine months ended 31 December 2018, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 ('SEBI Regulation 2015') read with SEBI Circular no. CIR/CFD/FAC/62/2016 dated 5 July 2016 ('the Circular').

The preparation of this statement in accordance with the recognition and measurement principles as laid down in Indian Accounting Standards ('Ind-AS') prescribed under section 133 of the Companies Act, 2013 read together with relevant rules and other accounting principles generally accepted in India and above referred circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company on 12 February 2019. Our responsibility is to issue a report on the Statement based on our review.

### Scope of Review

2. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

### Basis for Qualified Conclusion

3. *Note no. 10, 11, 12, and 13 form basis for our qualified conclusion. As stated by the Management of the Company in Note 10 to the Statement, Civil Suits have been filed against the Company in relation to event occurred on NSEL's trading platform. These matters are pending at various stages of adjudication. As stated in the said note, the management of the Company does not foresee that the parties who have filed Civil Suits would be able to sustain any claim against the Company. In addition, as stated by the management in note 10, 11, 12 and 13 to the Statement, there are First Information Reports/ complaints/ letters/ orders/ notices registered/ received against various parties including the Company from/ with the Economic Offences Wing of the Mumbai Police (EOW), Central Bureau of Investigation (CBI), Home Department - Government of Maharashtra under MPID Act, the Directorate of Enforcement and the Serious Fraud Investigation Office (SFIO). Above matters are pending at various stages of adjudication/investigation.*



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

*In the light of the above representations regarding the ongoing investigations and matters, the outcome of which is not known and is uncertain at this stage, we are unable to comment on the consequential impact in respect of the same on the results for the quarter and nine months ended 31 December 2018.*

#### **Qualified Conclusion**

4. *Except for the possible effects of the matter specified under 'Basis for Qualified Conclusion', and based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards i.e. Ind-AS as prescribed under section 133 of Companies Act, 2013 and other recognised accounting practices and policies generally accepted in India has not disclosed the information required to be disclosed in terms of SEBI Regulation 2015 read together with Circular including the manner in which it is to be disclosed or that it contains any material misstatement.*

#### **Emphasis of Matter**

5. We draw attention to Note 8 to the Statement, which describes the passing of the final order of amalgamation of National Spot Exchange Limited with the Company, by Ministry of Corporate Affairs, Government of India. The Honourable Bombay High Court in due course has dismissed the Writ Petition challenging the said order filed by the Company. The Company has filed a Special Leave Petition against the said order of Honourable Bombay High Court before the Honourable Supreme Court of India and the matter is sub-judice. In future, any unfavorable outcome may impact company's ability to function as a going concern.
6. We draw attention to Note 9 to the Statement. Government of India has filed the Company Petition before the Principal Bench of the Company Law Board, under the Companies Act, 1956, seeking inter alia removal and supersession of the Board of Directors of the Company. The matter is pending before National Company Law Appellate Tribunal ("NCLAT") and is currently sub-judice.
7. We draw attention to Note 15 to the Statement, regarding utilisation of unexpired MAT credit entitlement by the Company. The Company has a total MAT credit entitlement of Rs.9,116 Lakhs as at 31 December 2018. Based on the projections made by the Company's management regarding income-tax liability of the Company, Management is of the view that the Company will be able to utilise the unexpired MAT credit entitlement in eligible projected years.

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

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



Tirtharaj Khot  
Partner

Membership No.(F) 037457

Mumbai, 12 February 2019

A handwritten signature in blue ink, appearing to read "Tirtharaj Khot".