

PART I
STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2014

PARTICULARS		(₹ in lacs except 'per share' data)					
		Quarter ended			Six Months ended		
		30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	(a) Net Sales/Income from Operations	3,802.25	4,324.66	8,982.91	8,126.91	19,150.14	32,671.60
	(b) Other Operating Income	81.26	101.96	278.87	183.22	522.07	799.89
	c) Total Income from Operations (Net)	3,883.51	4,426.62	9,261.78	8,310.13	19,672.21	33,471.49
2	Expenses						
	a) Purchases of stock-in-trade	-	0.12	1.38	0.12	1.68	6.09
	b) Employee benefits expense	2,848.79	2,745.06	2,868.55	5,593.85	5,877.07	12,275.19
	c) Legal and professional charges	1,617.65	1,836.92	717.03	3,454.57	1,170.99	4,008.09
	d) Depreciation and amortisation expense	977.72	1,049.49	609.02	2,027.21	1,209.29	3,074.86
	e) Other expenses	1,375.62	1,067.73	1,032.22	2,443.35	2,470.37	5,134.58
	g) Total expenses	6,819.78	6,699.32	5,228.20	13,519.10	10,729.40	24,498.81
3	Profit / (Loss) from Operations before Other Income, Finance costs and Exceptional items (1-2)	(2,936.27)	(2,272.70)	4,033.58	(5,208.97)	8,942.81	8,972.68
4	Other Income (net)	17,071.59	4,284.18	8,131.16	21,355.77	14,675.30	17,197.85
5	Profit / (Loss) before Finance costs and Exceptional items (3+4)	14,135.32	2,011.48	12,164.74	16,146.80	23,618.11	26,170.53
6	Finance costs	425.57	611.25	1,567.23	1,036.82	2,017.76	3,053.82
7	Profit after Finance costs but before Exceptional items (5-6)	13,709.75	1,400.23	10,597.51	15,109.98	21,600.35	23,116.71
8	Exceptional items						
	a) Net gain on sale of Equity Shares	84,288.79	12,895.10	-	97,183.89	-	6,989.14
	b) Provision of doubtful Loans & advances to and trade receivables from	(407.88)	(1.64)	(1,587.89)	(409.52)	(1,587.89)	(36,696.81)
	c) Diminution in value of long term investments	(58,760.53)	-	(4,499.99)	(58,760.53)	(4,499.99)	(11,444.44)
	d) Total Exceptional Items	25,120.38	12,893.46	(6,087.88)	38,013.84	(6,087.88)	(41,152.12)
9	Profit / (Loss) before tax (7-8)	38,830.13	14,293.69	4,509.63	53,123.82	15,512.47	(18,035.40)
10	Tax expense	6,088.60	1,468.70	1,808.00	7,557.30	4,690.00	4,819.45
11	Net Profit / (Loss) after tax (9-10)	32,741.53	12,824.99	2,701.63	45,566.52	10,822.47	(22,854.85)
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						240,028.64
12	Earnings per share (face value of ₹ 2 per share) (not annualised) (₹)						
	a) Basic & Diluted	71.06	27.83	5.87	98.89	23.49	(49.60)

PART II

SELECT INFORMATION FOR THE QUARTER ENDED AND HALF YEAR ENDED SEPTEMBER 30, 2014

A PARTICULARS OF SHAREHOLDING							
1	Public shareholding						
	a) Number of shares	25,052,659	25,052,659	25,050,955	25,052,659	25,050,955	25,052,659
	b) Percentage of shareholding	54.37	54.37	54.37	54.37	54.37	54.37
2	Promoters and promoter group shareholding						
	a) Pledged/ Encumbered						
	- Number of shares	Nil	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	Nil	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil	Nil	Nil
	b) Non-encumbered						
	- Number of shares	21,025,878	21,025,878	21,027,582	21,025,878	21,027,582	21,025,878
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	100	100.00	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the company)	45.63	45.63	45.63	45.63	45.63	45.63
B	INVESTOR COMPLAINTS	Quarter Ended 30.09.2014					
	Pending at the beginning of the quarter						
	Received during the quarter	37					
	Disposed of during the quarter	36					
	Remaining unresolved at the end of the quarter	1					

NOTES:

1 STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(₹ in lacs)

PARTICULARS	As at	As at	PARTICULARS	As at	As at
	30.09.2014	31.03.2014		30.09.2014	31.03.2014
	Unaudited	Audited		Unaudited	Audited
A EQUITY AND LIABILITIES			B ASSETS		
1 Shareholders' funds:			1 Non-current assets:		
(a) Share capital	921.57	921.57	(a) Fixed assets	44,549.00	46,533.78
(b) Reserves and surplus	282,159.86	240,028.64	(b) Non-current investments	66,407.91	52,378.58
Sub-total-Shareholders' funds	283,081.43	240,950.21	(c) Long-term loans and advances	31,597.55	88,324.89
2 Non-current liabilities:			(d) Other non-current assets	362.82	477.62
(a) Long-term borrowings	47,288.36	46,126.60	Sub-total-Non-current assets	142,917.28	187,714.87
(b) Deferred tax liabilities (net)	2,268.94	2,524.64	2 Current assets:		
(c) Other long term liabilities	32.85	536.26	(a) Current investments	190,918.88	75,337.32
(d) Long term provisions	1,134.35	1,087.94	(b) Trade receivables	4,605.15	6,775.60
Sub-total-Non-current liabilities	50,724.50	50,275.44	(c) Cash and cash equivalents	10,371.63	11,919.08
3 Current liabilities:			(d) Short-term loans and advances	9,471.06	34,484.55
(a) Trade payables	689.85	529.18	(e) Other current assets	22,502.44	1,449.25
(b) Other current liabilities	26,399.08	24,524.26	Sub-total-Current assets	237,869.16	129,965.80
(c) Short-term provisions	19,891.58	1,401.58			
Sub-total-Current liabilities	46,980.51	26,455.02			
TOTAL EQUITY AND LIABILITIES	380,786.44	317,680.67	TOTAL ASSETS	380,786.44	317,680.67



Notes:

- 1) These unaudited 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 November 12, 2014 and have been subjected to a limited review by the Statutory Auditors of the Company.
- 2) The Board of Directors in their meeting held on November 12, 2014 have declared second interim dividend of ₹ 5/- per equity share of face value ₹ 2/- each on equity share capital of the Company.
- 3) During the quarter ended June 30, 2014, the Company along with other shareholders sold 100% equity shares of National Bulk Handling Corporation Limited (NBHC) to IVF Trustee Company Limited and resultant profit for sale of equity shares of NBHC is included in Net gain on sale of equity shares under exceptional items.
- 4) During the quarter ended September 30, 2014, without prejudice to the legal rights & remedies available under the law, the Company has sold in off market equity shares equivalent of 15% of share capital of Multi-Commodity Exchange of India Ltd (MCX) to Kotak Mahindra Bank Limited (KMBL) pursuant to Share Purchase Agreement dated July 20, 2014 and the balance equity shares equivalent of 11% of share capital of MCX sold in the open market. The resultant profits of ₹ 85,089.87 lacs (net of expenses) for sale of equity shares of MCX is included in Net gain on sale of equity shares under exceptional items. The Company's shareholding in MCX has become "NIL".
- 5) Without prejudice to the legal rights and remedies available under the law, the Company has entered into Share Purchase Agreement (SPA) on November 5, 2014 with M/s. TVS Shriram Growth Fund 1, Mr. S. Gopalkrishnan, Mr. Lakshmi Narayanan, Mr. Rajeev Gupta, M/s. Dalmia Cement Bharat Power Ventures Limited, M/s. Kiran Vyapar Limited, M/s. TVS Capital Funds Limited, and M/s. Agri Power and Engineering Solutions Private Limited for sale of entire 25.64% equity stake on a fully diluted basis in Indian Energy Exchange Ltd (IEX) for an aggregate consideration of ₹ 57,684.48 lacs. The said transaction is subject to fulfillment of certain condition precedents including buyout of the application software and other technology for its own use only by IEX and regulatory approvals, if any. Post completion of the above said transaction, the Company's shareholding in IEX will become "NIL".
- 6) The Company has challenged the Order dated 17th December, 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 28th February, 2014, Hon'ble High Court was pleased to admit the said Writ Petition and kept for hearing expeditiously. The FMC Order has not attained to its finality The matter is pending for final hearing before the Hon'ble Bombay High Court.



- 7) The Company has challenged before Appellate Tribunal the Central Electricity Regulatory Commission (CERC) Order dated 13th May, 2014 which is stating that the Company cannot be considered as fit and proper person to hold the shares in power exchanges relying solely on FMC Order & SEBI Order. The matter is pending for hearing before the Appellate Tribunal, Delhi.
- 8) Securities and Exchange Board of India (SEBI) has passed an Order on 19th March, 2014 (SEBI Order) 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 (a) MCX Stock Exchange Limited (MCX-SX), (b) MCX-SX Clearing Corporation Limited (MCX-SX CCL), (c) Delhi Stock Exchange Ltd (DSE), (d) the Vadodara Stock Exchange Limited (VSE) and (e) National Stock Exchange of India Limited (NSEIL) (herein after referred as "related entities") within 90 days from the date of order. The Company had filed an appeal in the Security Appellate Tribunal (SAT) against the SEBI order. SAT vide its order dated July 09, 2014 (by majority view) dismissed the appeal and directed to the Company to divest its stake in the aforesaid companies within (4) four weeks from the date of the order. The Company has filed an appeal before the SAT for seeking an extension from divestment of the above said related entities.
- 9) Company has received letter dated August 25, 2014 from MCX-SX informing that their Board has decided to treat the warrants held by the Company as extinguished and of no effect whatsoever on account of company's continuance to hold the same post lapse of time limits specified by SEBI/ SAT and decided to transfer the amount of ₹ 5,624.60 lacs standing as non-refundable interest free deposit against such warrants to capital reserve. The Company has filed an appeal before the SAT challenging the decision of MCX-SX. The matter is pending for hearing before SAT.
- 10) Company has received from Ministry of Corporate Affairs (MCA) on October 21, 2014 Draft Order of amalgamation of National Spot Exchange Limited (NSEL) with the Company under Section 396 (1) of the Companies Act, 1956. The Company has filed a Writ Petition before the Hon'ble Bombay High Court, 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 Company will take further appropriate steps as per advise of the legal Counsel / lawyers of the Company.
- 11) On conservative basis, the Company has not recognized interest income of ₹ 490.37 lacs for quarter ended and ₹ 971.29 lacs for six month ended September 30, 2014 on outstanding loan from National Spot Exchange Ltd. (NSEL) in view of the uncertainty involved in the ultimate collection.



12) Other Income consists of:

(₹ in lacs)

Particulars	Quarter ended			Six Months ended		Year ended
	30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
(a) Net (loss) / gain on foreign currency transactions and translations	(443.17)	(436.89)	165.79	(880.06)	2,512.64	(2,922.56)
(b) Net gain on sale of Investments	468.19	1,302.14	3,381.67	1,770.33	5,727.66	7,957.83
(c) Dividend income	15,805.61	1,111.36	1,897.36	16,916.97	2,087.92	3,310.37
(d) Interest Income	1,042.73	2,058.85	2,155.59	3,101.58	3,250.62	7,436.37
(e) Others (net)	198.23	248.72	530.75	446.95	1,096.46	1,415.84
	17,071.59	4,284.18	8,131.16	21,355.77	14,675.30	17,197.85

13) During the quarter, loan given to a subsidiary company in earlier years aggregating to USD 144.00 million (equivalent to ₹ 86,407.20 lacs) has been converted to equity share capital.

14) As at September 30, 2014, the Company had investments in certain subsidiaries and a joint venture company aggregating of ₹ 104,016.81 lacs and debts and other recoverable aggregating of ₹ 3,627.83 lacs (excluding NSEL and its subsidiaries) which presently have accumulated losses. During the quarter, the Company on conservative basis has made an additional provision of ₹ 58,760.53 towards other than temporary diminution in the value of investments shown under exceptional items. Thus, the Company has a total provision of ₹ 82,573.23 lacs towards other than temporary diminution in the value of investments and ₹ 21.32 lacs towards loans and advances as at the September 30, 2014 which are considered to be adequate for these investments and loans and advances.

15) 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 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. 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 Company, with the Economic Offences Wing of the Mumbai Police (EOW) 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 Company has not been named in the said charge-sheets.



16) The Company has a total MAT credit entitlement of ₹23,889.73 lacs as at September 30, 2014 including recognition of ₹ 14,700.91 lacs during the six month ended September 30, 2014. The management of the Company is confident that the Company will be able to utilize unexpired MAT entitlement in future projected years.

17) Segment wise Revenues and Results as per clause 41 of Listing Agreement:

(₹ in lacs)

Particulars	Quarter ended			Six Months ended		Year ended
	30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
Segment Revenue						
STP Technologies / Solutions	3,277.59	3,722.70	8,135.66	7,000.29	17,465.99	29,623.76
Others	605.92	703.92	1,126.12	1,309.84	2,206.22	3,847.73
Total Income from Operations	3,883.51	4,426.62	9,261.78	8,310.13	19,672.21	33,471.49
Segment Results						
STP Technologies / Solutions	700.93	1,398.91	6,103.54	2,099.84	12,857.89	19,945.02
Others	316.90	295.92	585.65	612.82	1,121.18	1,964.50
Total	1,017.83	1,694.83	6,689.19	2,712.66	13,979.07	21,909.52
Less : Finance costs	425.57	611.25	1,567.23	1,036.82	2,017.76	3,053.82
Add : Unallocable income [other income (net)]	17,071.59	4,284.18	8,131.16	21,355.77	14,675.30	17,197.85
Less : Unallocable expenses	3,954.11	3,967.52	2,655.61	7,921.63	5,036.26	12,936.83
Less : Exceptional Item	25,120.38	12,893.46	(6,087.88)	38,013.84	(6,087.88)	(41,152.12)
Profit before tax	38,830.13	14,293.69	4,509.63	53,123.82	15,512.47	(18,035.40)

Notes:

- Segments have been identified in accordance with the Accounting Standard (AS 17) "Segment Reporting" considering the organisation structure and the return/risk profiles of the business.
- 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.
- 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.

18) MCX on April 29, 2014 uploaded on BSE website Executive Summary with the modification on selective basis ('Executive Summary') of Special Audit Report carried out by PricewaterhouseCoopers Private Limited (PwC) with a disclaimer. The Company replied Executive Summary in detail on May 5, 2014 and the same was uploaded on BSE website. Subsequently on May 26, 2014, MCX disseminated on BSE website Special Audit Report without annexures, exhibits of the said report with a disclaimer that document is yet to be independently verified by MCX, MCX neither agrees or disagrees with the contents and does not have opinion on the same, it further recommends that no person should consider and/or rely on the contents of the document at this stage for undertaking any trade (buy or sell) in the securities of MCX, it further states that it does not in any manner warrant, certify or endorse the correctness, accuracy, adequacy or completeness of the contents of the report and the observation of the report have not been verified / confirmed by MCX. The Company reiterated that views of the Company were not taken into account before finalizing the report despite several written requests to MCX.



19) The qualifications made by the Statutory Auditors in their limited reviewed report dated November 12, 2014 on the unaudited financial results for the quarter ended and six month ended September 30, 2014 and the Management responses thereto are as under:-

I. As stated by the Management of the Company in Note 15 above, Writ Petitions, Public Interest Litigations, Civil Suits 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, and these matters are pending adjudication. In addition, there is a First Information Report registered, inter alia, against the Company with the Economic Offences Wing. Further, as stated in the said Note 15 above, based on legal advice, the Management of the Company does not foresee that the parties who have filed the Writ Petitions, Public Interest Litigations, Civil Suits would be able to sustain any claim against the Company. In this regard, the Management and those charged with Governance have represented to us that other than as stated in the said Note 15 above, 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 quarter and six month ended September 30, 2014.

Management Response:

Refer Note 15 above.

II. As stated in Note 8 above, the directives of the Securities and Exchange Board of India (SEBI) by its Order dated March 19, 2014 requires the Company to divest its investments referred therein within ninety days from the date of the Order. These include 27,165,000 Equity Shares of ₹ 1 each and 562,460,000 Warrants of ₹ 1 each (each Warrant will entitle the holder to one Equity Share) both in MCX Stock Exchange Limited and 5,750,000 Equity Shares of ₹ 10 each in MCX-SX Clearing Corporation Limited which are being carried at an aggregate amount of ₹ 6,471.25 lacs. We also draw attention to Note 9 of above, wherein the Company has received a letter from MCX-SX informing that its Board has decided to treat the warrants held by the Company as extinguished. The Company has filed an appeal before Security Appellate Tribunal (SAT) for seeking an extension of time for the divestment and challenging the decision of MCX-SX.

The Management of the Company is of the view that the aggregate carrying amount of the aforesaid investments at ₹ 6,471.25 lacs, represents the lower of cost and fair value of these investments as at September 30, 2014.

In the absence of sufficient appropriate audit evidence, particularly, in the absence of a fair valuation of the aforesaid investments as at September 30, 2014 being provided to us, and having regard to the time limit for divestment prescribed in the aforesaid Order, we have not been able to validate whether the carrying amount of these investments is the lower of cost and fair value, as required by Accounting Standard (AS) 13,



'Accounting for investments', as also financial and other impacts, if any, of the non-compliance of this directive.

Management Response:

According to the Management 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. Also refer note 8 above.

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

For Financial Technologies (India) Limited

Place : Mumbai

Date : November 12, 2014




Dewang Neralla

Whole-time Director

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To,
The Board of Directors,
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 Financial Technologies (India) Limited for the quarter and six months ended September 30, 2014

Introduction

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results (the 'Statement') of **Financial Technologies (India) Limited** (the 'Company') for the quarter and six months ended September 30, 2014 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors on November 12, 2014. 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 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. 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 provide 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. *As stated in Note 8 to the Statement, the directives of the Securities and Exchange Board of India (SEBI) by its Order dated March 19, 2014 requires the Company to divest its investments referred therein within ninety days from the date of the Order. These include 27,165,000 Equity Shares of Rs. 1 each and 562,460,000 Warrants of Rs. 1 each (each warrant will entitle the holder to one Equity Share) both in MCX Stock Exchange Limited (MCX-SX) and 5,750,000 Equity Shares of Rs. 10 each in MCX-SX Clearing Corporation Limited which are being carried at an aggregate amount of Rs. 6,471.25 Lacs. We also draw attention to note 9 of the statement, wherein the Company has received a letter from MCX-SX informing that its Board has decided to treat the warrants held by the Company as extinguished. The Company has filed an appeal before Security Appellate Tribunal (SAT) for seeking an extension of time for the divestment and challenging the decision of MCX-SX.*

In this regard, management of the Company is of the view that the aggregate carrying amount of the aforesaid investment at Rs. 6,471.25 Lacs represents the lower of cost and fair value of these investments as at September 30, 2014.

In the absence of sufficient appropriate audit evidence, particularly, in the absence of a fair valuation of the aforesaid investments as at September 30, 2014 being provided to us, and having regard to the time limit for divestment prescribed in the aforesaid Order, we have not been able to validate whether the carrying amount of these investments is the lower of cost and fair value, as required by Accounting Standard (AS) 13, 'Accounting for Investments', as also financial and other impacts, if any, of the non-compliance of this directive.

4. *As stated by the Management of the Company in Note 15 to the Statement, Writ Petitions, Public Interest Litigations, Civil Suits 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, and these matters are pending adjudication. In addition, there is a First Information Report registered, inter alia, against the Company with the Economic Offences Wing. Further, as stated in the said Note 15 to the Statement, based on legal advice, the Management of the Company does not foresee that the parties who have filed the Writ Petitions, Public Interest Litigations, Civil Suits would be able to sustain any claim against the Company. In this regard, the Management and those charged with Governance have represented to us that other than as stated in the said Note 15 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 quarter and six months ended September 30, 2014.



Qualified Conclusion

5. *Except for the possible effects of the matters 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 the applicable accounting standards as specified under section 133 of the 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 Clause 41 of the Listing Agreements with the stock exchanges including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter

6. We draw attention to Note 10 to the Statement, which describes the receipt of the draft order proposing amalgamation of National Spot Exchange Limited with the Company. The Company is in the process of assessing its impact and taking appropriate steps in the matter.
7. We draw attention to Note 16 to the Statement, regarding utilisation of unexpired MAT credit entitlement by the Company. The Company has a total MAT credit entitlement of Rs. 23,889.73 Lacs as at September 30, 2014 including recognition of Rs. 14,700.91 Lacs during the quarter and six months ended September 30, 2014. 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.

Our conclusion is not qualified in respect 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, November 12, 2014



For Immediate Release

Financial Technologies (Standalone) Profit after Taxes for the quarter ended September 30, 2014 stands at ₹ 327 crore.

Mumbai, November 12, 2014:

- FTIL appointed Amarchand & Mangaldas & Suresh A. Shroff & Co (AMSS) as its Principal law firm.
- FTIL, being aggrieved by the Draft Order and the proposed forced amalgamation, the Company, along with a few shareholders, has filed a writ petition before the Hon'ble Bombay High Court, under Article 226 of the Constitution of India, *inter alia* challenging the issuance of the Draft Order and / or any forced amalgamation as proposed or howsoever.

Financial Technologies (India) Limited (Financial Technologies), the global leader in offering member technology solutions and exchange technology solutions for financial markets for multi asset class, announced today its unaudited financial results for the quarter and half year ended September 30, 2014.

Standalone performance of Financial Technologies for quarter ended September 30, 2014:

- Profit after taxes for the quarter year ended September 30, 2014 stands at ₹ 327 crore (Previous year quarter Profits after taxes at ₹ 27 crore).
- During the quarter, the company has booked a gain of ₹ 851 crore on sale of its holding in MCX.
- During the quarter, the company has made provisions towards other than temporary diminution in value of investments to the tune of ₹ 588 crore.

Commenting on Financial Technologies' Standalone 2nd Quarter FY15 performance, Dewang Neralla, Whole Time Director, said:

"We are pleased to announce financial results for quarter ended September 30, 2014. We have successfully completed the divestment of our holding in MCX during the quarter. Profit after taxes for the quarter ended September 30, 2014 stands at ₹ 327 crore."

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Safe Harbour Statement

Certain statements made in this release with reference to future operations and performance of Financial Technologies, its subsidiaries, and other group companies are forward-looking statements, involving risks and uncertainties. Certain factors could cause actual results to differ materially from those in such forward-looking statements. The company does not undertake responsibility to update any forward-looking statement that may be made from time to time by or on behalf of the company.