

PART I  
 STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2014

PARTICULARS	( ₹ in lacs except 'per share' data )					
	Quarter ended			Nine Months ended		Year ended
	31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013	31.03.2014
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 a) Net Sales/Income from Operations	3,528.53	3,802.25	7,996.75	11,655.44	27,146.89	32,671.60
b) Other Operating Income	26.25	81.26	182.83	209.47	704.90	799.89
c) Total Income from Operations (Net)	3,554.78	3,883.51	8,179.58	11,864.91	27,851.79	33,471.49
2 Expenses						
a) Purchases of stock-in-trade	-	-	3.38	0.12	5.06	6.09
b) Employee benefits expense	3,103.74	2,848.79	2,762.82	8,697.59	8,639.89	12,275.19
c) Legal and professional charges	1,805.67	1,617.65	1,151.97	5,260.24	2,322.96	4,008.09
d) Depreciation and amortisation expense	971.43	977.72	617.12	2,998.64	1,826.41	3,074.86
e) Other expenses	1,386.75	1,375.62	1,134.29	3,830.10	3,604.66	5,134.58
f) Total expenses	7,267.59	6,819.78	5,669.58	20,786.69	16,398.98	24,498.81
3 Profit / (Loss) from Operations before Other income, Finance costs and Exceptional items (1-2)	(3,712.81)	(2,936.27)	2,510.00	(8,921.78)	11,452.81	8,972.68
4 Other income (net)	2,929.83	17,071.59	2,264.52	24,285.60	16,939.82	17,197.85
5 Profit / (Loss) before Finance costs and Exceptional items (3+4)	(782.98)	14,135.32	4,774.52	15,363.82	28,392.63	26,170.53
6 Finance costs	612.30	425.57	534.88	1,649.12	2,552.64	3,053.82
7 Profit / (Loss) after Finance costs but before Exceptional items (5-6)	(1,395.28)	13,709.75	4,239.64	13,714.70	25,839.99	23,116.71
8 Exceptional items						
a) Net gain on sale of equity shares / warrants	1,065.81	84,288.79	-	98,249.70	-	6,989.14
b) Provision of doubtful loans & advances to and trade receivables from subsidiaries	(612.48)	(407.88)	(66.68)	(1,022.00)	(1,654.57)	(36,696.81)
c) Diminution in value / Write Off of long term investments	-	(58,760.53)	-	(58,760.53)	(4,499.99)	(11,444.44)
d) Total Exceptional Items	453.33	25,120.38	(66.68)	38,467.17	(6,154.56)	(41,152.12)
9 Profit / (Loss) before tax (7+8)	(941.95)	38,830.13	4,172.96	52,181.87	19,685.43	(18,035.40)
10 Tax expense	(455.71)	6,088.60	725.00	7,101.59	5,415.00	4,819.45
11 Net Profit / (Loss) for the period (9-10)	(486.24)	32,741.53	3,447.96	45,080.28	14,270.43	(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
14 Earnings per share (Face Value ₹ 2/- per share) (not annualised) (₹)						
(a) Basic	(1.06)	71.06	7.48	97.83	30.97	(49.60)
(b) Diluted	(1.06)	71.06	7.48	97.28	30.97	(49.60)

PART II

SELECT INFORMATION FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2014

A PARTICULARS OF SHAREHOLDING						
1 Public shareholding						
a) Number of shares	25,052,659	25,052,659	25,052,659	25,052,659	25,052,659	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	21,025,878	21,025,878	21,025,878	21,025,878
- Percentage of shares (as a % of the total shareholding of Promoters and Promoter group)	100.00	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					
	31.12.2014					
Pending at the beginning of the quarter	1					
Received during the quarter	8					
Disposed of during the quarter	9					
Remaining unresolved at the end of the quarter	NIL					

Notes:

- 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 February 05, 2015 and have been subjected to a limited review by the Statutory Auditors of the Company.
- The Board of Directors in their meeting held on February 05, 2015 have declared third interim dividend of ₹ 5 /- per equity share of face value ₹ 2/- each on equity share capital of the Company.
- During the quarter ended December 31, 2014, 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) comprising of 2,71,65,000 equity shares and 56,24,60,000 warrants for an aggregate consideration of ₹ 88.44 Crores. The said transactions are subject to fulfillment of certain conditions precedents including regulatory approvals.



2,71,65,000 equity shares and 38,98,00,000 warrants of MCX-SX has been transferred in the name of investors and accordingly the Company has received the consideration. The balance 17,26,60,000 warrants will be transferred to pursuant to the terms & conditions of WPA. Post completion of the above said transaction, the Company's shareholding (including warrants) in MCX-SX will become "NIL".

- 4) During the quarter ended December 31, 2014, without prejudice to the legal rights and remedies available under the law, 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) for an aggregate consideration of ₹ 57,684.48 lacs. 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".
- 5) During the quarter ended December 31, 2014, 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, for US\$ 40.5 million, subject to certain conditions precedents including regulatory approvals.
- 6) 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, Hon'ble High Court passed the order wherein 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 Company filed SLP on November 27, 2014 before Hon'ble Supreme Court against order dated February 28, 2014 and November 17, 2014. The matter is pending for hearing.
- 7) The Company has challenged before Appellate Tribunal the Central Electricity Regulatory Commission (CERC) Order dated May 13, 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. Final hearing is concluded before Appellate Tribunal in the month of January 2015 and the Appellate Tribunal dismissed the appeal filed by the Company On February 4, 2015, the Company is awaiting exact text of the order from Tribunal.
- 8) The Company has filed an appeal on November 5, 2014 before the Security Appellate Tribunal (SAT) against the Securities and Exchange Board of India (SEBI) order for rejecting Company's request for extension for divestment in recognized stock exchanges and against MCX-SX for extinguishment of warrants. Subsequently, MCX-SX restored the warrants and transferred to the investors as stated in note no. 3.
- 9) The Company has filed Civil Appeal on December 19, 2014, before Hon'ble Supreme Court challenging the order on "not a fit and proper person to hold shares in recognized stock exchanges" passed by SAT on July 9, 2014. The matter is pending for hearing.
- 10) The 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, 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 pronounced the judgment interalia:
  - a) the Company and other interested parties 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 Nov 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.

11) During the quarter ended December 31, 2014, the Company has made additional long term investments aggregating ₹ 578.52 lacs in subsidiaries.

12) During the quarter ended December 31, 2014, 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 stated capital of FTGIPL and investments of the Company to the extent of same amount. The Company has already made provision in the previous periods, hence no impact on the statement of profit & loss during this quarter.

13) On conservative basis, the Company has not recognized interest income of ₹ 501.87 lacs for quarter ended December 31, 2014 and ₹ 1,473.16 lacs for nine months ended December 31, 2014 on outstanding loan from NSEL in view of the uncertainty involved in the ultimate collection.

14) Other Income consists of:

Particulars	Quarter ended			Nine Months ended		Year ended
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013	31.03.2014
a) Foreign Exchange (loss) / gain (net)	(919.71)	(443.17)	(2,045.55)	(1,799.77)	467.09	(2,922.56)
b) Net gain on sale of Investments	2,810.51	468.19	166.28	4,580.84	5,893.94	7,957.83
c) Dividend income	-	15,805.61	983.16	16,916.97	3,071.08	3,310.37
d) Interest Income	687.93	1,042.73	2,642.80	3,789.51	5,893.42	7,436.37
e) Others (net)	351.10	198.23	517.83	798.05	1,614.29	1,415.84
	2,929.83	17,071.59	2,264.52	24,285.60	16,939.82	17,197.85

15) As at December 31, 2014, the Company had investments in certain subsidiaries and a joint venture company aggregating of ₹ 83,596.28 lacs and debts and other recoverable aggregating of ₹ 3,867.32 lacs (excluding NSEL and its subsidiaries) which presently have accumulated losses. The Company has a total provision of ₹ 61,574.18 lacs towards other than temporary diminution in the value of investments and ₹ 21.70 lacs towards loans and advances as at December 31, 2014 which are considered to be adequate for these investments and loans and advances.

16) 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) 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 Company has not been named in the said charge-sheets.

17) The Company has a total MAT credit entitlement of ₹ 19,652.29 lacs as at December 31, 2014 including recognition of ₹ 10,463.47 lacs during the nine month ended December 31, 2014. The management of the Company is confident that the Company will be able to utilize unexpired MAT entitlement in future projected years.



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

(₹ in lacs)

Particulars	Quarter ended			Nine Months ended		Year ended
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013	31.03.2014
<b>Segment Revenue</b>						
STP Technologies / Solutions	3,021.37	3,277.59	7,210.47	10,021.66	24,676.46	29,623.76
Others	533.41	605.92	969.11	1,843.25	3,175.33	3,847.73
<b>Total income From Operations</b>	<b>3,554.78</b>	<b>3,883.51</b>	<b>8,179.58</b>	<b>11,864.91</b>	<b>27,851.79</b>	<b>33,471.49</b>
<b>Segment Results</b>						
STP Technologies / Solutions	678.10	700.93	4,967.65	2,777.94	16,525.82	19,945.02
Others	247.34	316.90	423.56	860.16	1,362.97	1,964.50
<b>Total</b>	<b>925.44</b>	<b>1,017.83</b>	<b>5,391.21</b>	<b>3,638.10</b>	<b>17,888.79</b>	<b>21,909.52</b>
Less : Finance Costs	612.30	425.57	534.88	1,649.12	2,552.64	3,053.82
Add : Unallocable Income [other income (net)]	2,929.83	17,071.59	2,264.52	24,285.60	16,939.82	17,197.85
Less : Unallocable Expenses	4,638.25	3,954.10	2,881.21	12,559.88	6,435.98	12,936.83
Less : Exceptional Item	(453.33)	(25,120.38)	66.68	(38,467.17)	6,154.56	41,152.12
<b>Profit / (Loss) before tax</b>	<b>(941.95)</b>	<b>38,830.13</b>	<b>4,172.96</b>	<b>52,181.87</b>	<b>19,685.43</b>	<b>(18,035.40)</b>

## 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.
- 19) The qualifications made by the Statutory Auditors in their limited review report dated February 05, 2015 on the unaudited financial results for the quarter and nine month ended December 31, 2014 and the Management responses thereto are as under:-

- As stated by the Management of the Company in Note 16 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 of Mumbai Police (EOW) and CBI. Further, as stated in the said Note 16 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 16 above, there are no claims, litigations, potential settlements involving the Company directly or indirectly which require adjustments to/disclosures in the statement.

In light of the above representations regarding the ongoing investigations and matters, the outcome 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 month ended December 31, 2014.

Management Response:

Refer Note 16 above.

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

Place : Mumbai

Date : February 05, 2015



For Financial Technologies (India) Limited

*Prashant Desai*

Prashant Desai  
Managing Director & CEO



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 nine months ended December 31, 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 nine months ended December 31, 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 February 5, 2015. 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 by the Management of the Company in Note 16 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 against various parties including the Company with the Economic Offences Wing of the Mumbai Police (EOW) and CBI. Further, as stated in the said note 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 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 nine months ended December 31, 2014.*

### **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 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**

5. We draw attention to Note 17 to the Statement, regarding utilisation of unexpired MAT credit entitlement by the Company. The Company has a total MAT credit entitlement of Rs. 19,652.29 Lacs as at December 31, 2014 including recognition of Rs. 10,463.47 Lacs during the nine months ended December 31, 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.

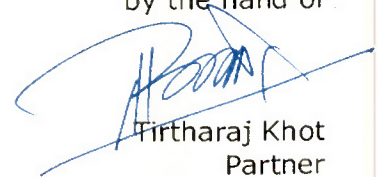


6. We draw attention to Note 10 to the Statement, which describes the receipt of the draft order proposing amalgamation of National Spot Exchange Limited with the Company. The Company has filed a Writ Petition before the Honourable Bombay High Court challenging the said order.

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



Firtharaj Khot  
Partner

Membership No. (F) 037457

Mumbai, February 5, 2015





**For Immediate Release**

**Financial Technologies (Standalone) Profit after Taxes for nine month ended December 31, 2014 stands at Rs 450.80 crore**

**Financial Technologies (Standalone) Loss after Taxes for the quarter ended December 31, 2014 stands at Rs 4.86 crore.**

**Mumbai, February 5, 2015:**

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 nine months ended December 31, 2014.

**Standalone performance of Financial Technologies (India) Limited for the nine month ended December 31, 2014:**

- Profit after taxes for nine month ended December 31, 2014 stands at Rs. 450.80 crore (Profits after taxes for nine months ended December 2013 at Rs Rs.142.70 crore)

**Standalone performance of Financial Technologies (India) Limited for quarter ended December 31, 2014:**

- Loss after taxes for the quarter year ended December 31, 2014 stands at Rs 4.86 crore (Profits after taxes for quarter ended September 2014 at Rs 327.41 crore).
- Loss before taxes and exceptional items for the quarter ended December 31, 2014 stands at Rs.13.95 crore. This is after accounting for ESOP related cost of Rs 3.03 crore and foreign exchange loss of Rs 9.20 crore.

**Commenting on Financial Technologies (India) Limited Standalone 3<sup>rd</sup> Quarter FY15 performance, Prashant Desai, MD & CEO, said:**

“We are pleased to announce financial results for quarter ended December 31, 2014. FTIL reported cash profit of Rs 8 crores for the quarter ended December 31, 2014, before exceptional items, ESOP costs and foreign exchange losses.”

**For further information, contact:**

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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.*