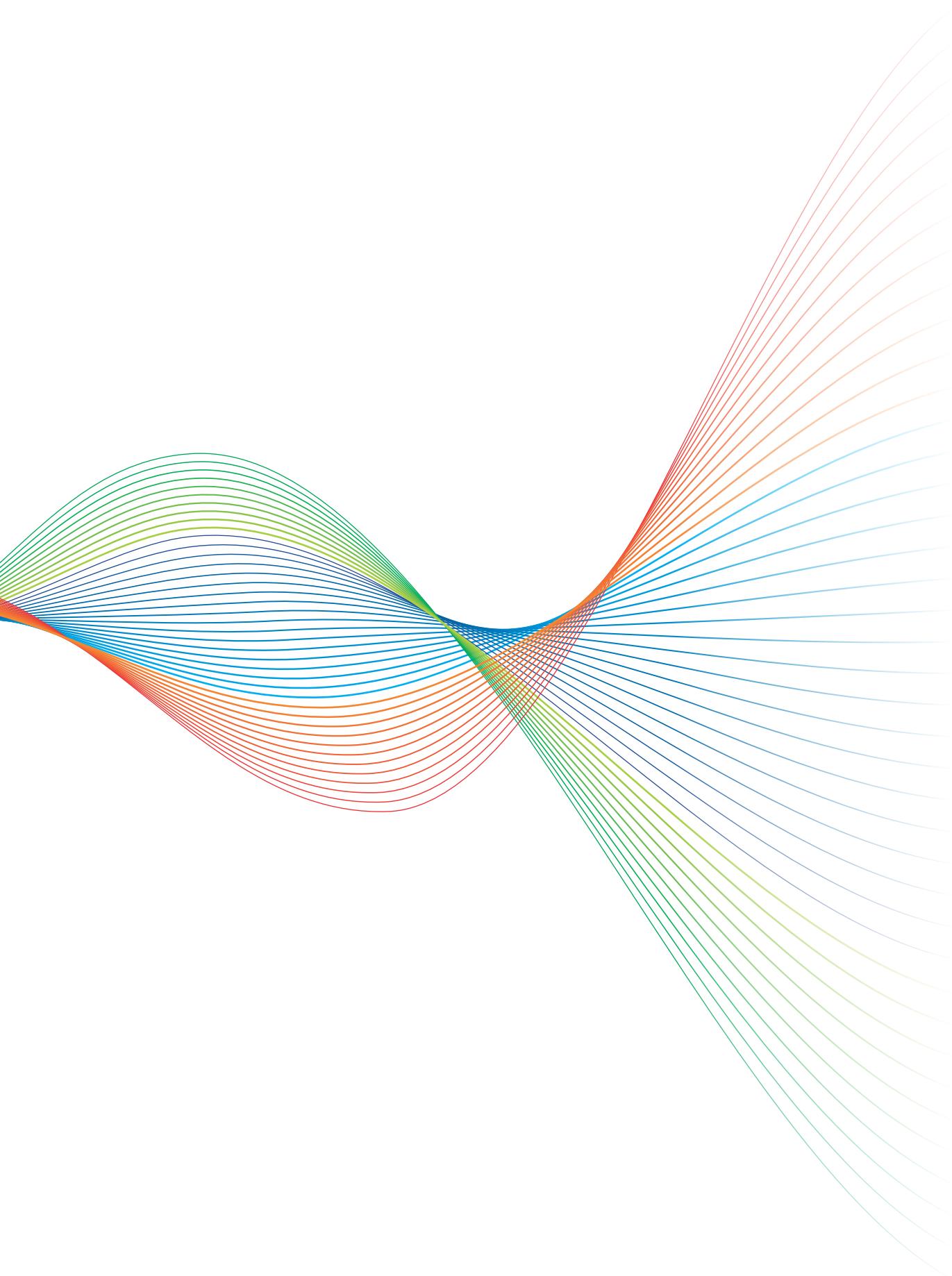


Diverse.
Unique.



Competitive Edge

Financial Technologies Group's next generation technology and domain expertise, coupled with its robust distribution network of trading terminals and ecosystem partners including banks, clearing partners, global exchanges and industry associations, give it an unmatched competitive edge and position it as the largest financial market community in the regions from Asia to Africa.

Technology	Largest electronic trading solutions provider in India with over 897,000* trading licenses for front-office, back-office and information terminals installed across 1,500 cities and towns
Domain Expertise	In-depth knowledge in creating next generation tech-centric financial markets across regions
Leadership	<ul style="list-style-type: none"> • 9 next generation exchanges from Asia to Africa • 4 ecosystem ventures, which are frontrunners in their respective markets • 3 of the Indian exchanges are No. 1 in terms of market share • No. 1 in trading terminals in India's digital transaction market • No. 1 warehouse receipt financing and collateral management service provider in India
Distribution**	India's largest financial electronic distribution platform with infrastructure spanning 5,000 VSATs and 5,000 leased and dial-up lines
Community	Strong and deep franchises with the financial market community, including more than 3,000 financial institutions, major banks, trading and clearing firms, dealers, etc.
Ecosystem	Industry-wide ecosystem partners such as clearing corporations, depositories, information distribution firms, ISVs, financial technology companies, advisory firms, accounting firms, research organizations, media as well as public relation and investor relation firms.
International Alliances	Over 12 international strategic alliances with leading global exchanges such as NYSE Euronext, CME/NYMEX, TOCOM, LME, Baltic Exchange, ICDX, TAIFEX, BCEC, among others
Domestic Alliances	Over 18 domestic alliances with various regional exchanges and trade associations as well as 12 alliances with educational institutions such as IITs, IGNOU, etc.

*As on 31st March, 2012
 **Includes captive & shared

Leadership

Financial Technologies Group operates one of the world's largest network of 9 exchanges, connecting the fast-growing economies from Africa to Asia, and 4 ecosystem ventures, which together address upstream and downstream opportunities in the financial market.

Group Companies/Businesses	Ranking	Market Leadership	
Financial Technologies (India) Ltd. (FTIL)	1	Market leader in India's electronic trading solutions space Over 897,000 trading licenses*	Technology Vertical
Multi Commodity Exchange (MCX)	1	India's No. 1 commodity futures exchange with 86% market share* 3 rd largest commodity futures exchange globally** No. 1 in global ranking for Gold & Silver**	
Indian Energy Exchange (IEX)	1	India's first & No. 1 power exchange with 92% market share* in electricity & REC volumes	Exchange Vertical
National Spot Exchange Ltd. (NSEL)	1	India's No. 1 commodity spot exchange with a commanding 99% market share* in the electronic spot market segment	
National Bulk Handling Corporation (NBHC)	1	India's leading integrated agri-commodity and collateral management company	Ecosystem Vertical
atom technologies	1	India's leading service provider of secure and convenient mobile payment solutions (IVR/Mobile Application/ Internet)	
TickerPlant	1	India's leading global content provider in financial information and market data services industry	
FT Knowledge Management Company (FTKMC)	1	Leadership in designing Knowledge Management Programmes in Financial Markets Practice	

*As on 31st March, 2012

**In terms of number of commodity futures contracts traded in CY 2011; Source: Data from websites of exchanges and FIA Annual Volume Survey released in March 2012

Diverse. Unique.

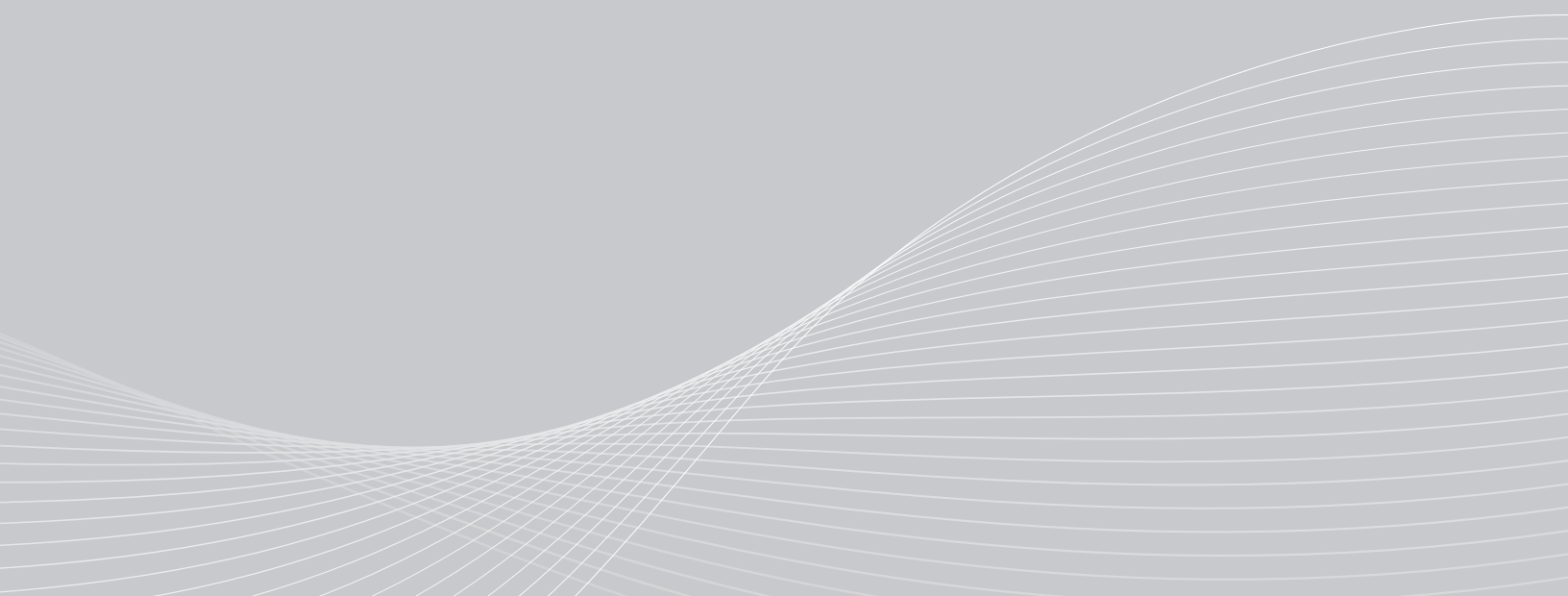
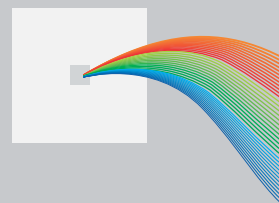
They have varied experiences, educational backgrounds, interests, talent, and capabilities. They work in various functions, processes and departments. Knowingly or otherwise, they contribute to a larger goal, and are the architects of a greater vision. They are bound by the fact that they are DIVERSE.

In spite of this, they work in unison. They strive together, and are often the agents that help realize tomorrow's innovations. It is their ability of masterful execution while overcoming myriad challenges that makes them distinct. Makes them UNIQUE.

When this Diverse set of people, systems, thoughts and ideas collaborate towards a Unique vision with fervor and passion, an Organization embarks on a sustainable growth path.

At Financial Technologies, we believe in this concept of an Organization. It is this diversity that has enabled us to become one of the leading creators of financial exchanges across the emerging economies of the world. It is this diversity that has enabled us to be a leader in trading technology solutions in India. Because in our diversity, we are bound by the passion to transform lives and empower economies through technological innovations.

In our Diversity, we retain our Uniqueness. And, this Uniqueness is invaluable.





Corporate Information

Board of Directors

Jignesh Shah
Chairman & Managing Director

Dewang Neralla

Manjay Shah

Ravi K. Sheth

P. G. Kakodkar

Chandrakant Kamdar

Ramanathan Devarajan

P. R. Barpande

C. M. Maniar

Management Team

Jignesh Shah
Chairman & Managing Director

Dewang Neralla
Whole Time Director - Technology

Manjay Shah
Whole Time Director - Business
Development

Paras Ajmera
Director – Operations

Company Secretary

Naishadh P. Desai
Sr. Vice President - Legal &
Company Secretary

Hariraj Chouhan
Vice President &
Company Secretary

Registered Office

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Auditors

Deloitte Haskins & Sells

Share Transfer Agents

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17 to 24, Vittalrao Nagar, Madhapur,
Hyderabad - 500 081, India
www.karvy.com

Bankers

HDFC Bank
Deutsche Bank
HSBC
Standard Chartered Bank
Union Bank of India



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Diverse. Unique.

01



Jignesh Shah

Chairman & Managing Director

Dear Shareholders,

In the last two decades, Indian economy has revived from its *nadir* to a level of growth that the world envies. Its growth in the new millennium has been stupendous and the financial crisis has not really deterred its spirit of positive growth; amidst a bleak global scenario which has seen developed economies report negative growth. As India stands well-poised to catapult itself to the next level of growth and development, your Company is happy and proud to contribute to this growth. Your Company, albeit being vastly diverse in terms of its group companies—their people, goals, strategies, products/services they offer, and geographies they operate in—retains a unique vision of empowering lives of people by creating accessible and affordable financial markets. This very spirit propels your Company to continuously innovate and excel in its area of expertise – the Financial Markets. And just like India, your Company also retains its uniqueness in spite of its diversity and has been continually creating new benchmarks in trading technologies and the financial Exchanges arena.

24.39%

Rise in Total Income

Total Income increased to ₹5,446 million, as against ₹4,378 million in the previous year, which, in percentage terms, amounts to a rise of 24.39%.

50.76%

Increase in EBITDA

EBITDA increased by 50.76% to ₹3,662 million as against ₹2,429 million the previous year.

29.42%

Rise in PAT

PAT rose by 29.42% in the year to ₹2,670 million compared to ₹2,063 million in the previous year.

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

Global Economy

The debt laden PIIGS (Portugal, the Irish Republic, Italy, Greece and Spain) suffered sovereign ratings downgrade with Spain and Italy on the brink of defaulting from their debt obligations. In the UK, numerous attempts, such as injecting £75 billion into the economy, were made by the Bank of England to revive growth and ease liquidity crunch. Meanwhile, the US was downgraded from “AAA” to “AA+” by Standard & Poors (S&P) following a political deadlock in Congress over raising the country’s legal limit on federal government’s total borrowing. The housing and employment data have also remained weak for most part of the year, further adding to the woes. Global investors have been seeking safer havens as a corollary to the global financial market uncertainty. Gold prices rallied above the USD 1,900/oz level in September 2011 before eventually heading south towards the year end.

However, stable US manufacturing output, drop in the US unemployment rate and massive credit infusion by European Central Bank and Chinese Central Bank to ease the global debt crisis, were seen as silver linings for the global markets. Volatile commodity prices and rise in risk appetite of global investors was clearly visible as major global commodity markets were seen heading north during the year. However, In the last few months, uncertain global demand situation has led commodity prices to cool off.

Indian Economy

The financial year 2011-12 has been a proverbial roller coaster ride for the markets, which plummeted in the earlier half and rose in the last three months of the year. In India, the falling Rupee and persistent high

inflation triggered policy measures such as increase in interest rates. This posted new challenges to the India growth story. However, stabilizing global market conditions may usher implementation of key reforms such as allowing FDI in multi-brand retail in India, better tax reforms and progressive financial market regulations. Such measures will realign and enhance interest in India among global investors.

A recent research report suggests that Indians hold over USD950 billion in Gold, which is around 50% of the country’s GDP in dollar terms. Savings as a percentage of GDP has increased to a high of 33%. Immediate steps are required to ensure that savings is converted to investments and utilized for the economic development of the country. It is also important to leverage technological advancements to bring more people into the formal banking system. Such steps can ease the liquidity crunch and enable companies to raise capital for expansion and growth.

Your Company

While the year gone by has been challenging for most businesses and industries, your Company has gone from strength to strength, thanks to the trust reposed in us by all the Stakeholders as well as the commitment and expertise of our highly talented human capital.

The bedrock on which your Company’s business operates is its Technology IP. It has maintained its leadership position in India’s trading technology solutions market for nearly a decade. Your company and its group companies (the FTIL Group) has been constantly innovating and creating new products in each of its business verticals viz Technology, Exchanges and Ecosystem vertical.

Technology Vertical

Your Company's Technology vertical encompasses Exchange technology solutions, Brokerage solutions, Messaging solutions and Consulting solutions.

Your Company's Exchange solutions' division now offers trading, risk management and clearing and settlement in Energy through its solution called PowerARMS™, deployed for the Day Ahead Market at the Indian Energy Exchange (IEX).

ODIN™, your Company's flagship Brokerage product, continues to be the first choice of every brokerage house in India and holds a major market share in the country's electronic trading solutions space. In the current year, ODIN™'s capabilities have been enhanced to include new exchange segments such as NSE Currency Derivatives. ODIN™ has also been made two-factor-authentication compliant during the year.

ODIN™ Program Trading, your Company's product offering in automated trading, has been significantly augmented in terms of speed, execution capabilities and

execution avenues, which include India's leading exchanges. For large institutions, your Company has introduced execution-based ALGOs which enable better execution of large quantity orders. Your Company has also launched mobile trading solution using smart phones and tablets which run on iOS, Android, Blackberry OS, etc.

Your Company is a leading provider of end-to-end STP technology solutions for Institutional Investors and related counterparts. Its intelligent messaging solutions provide a seamless STP framework and bring brokers, fund managers and custodians together through secure online connectivity on a common messaging platform. Your Company's Consulting arm, the Enterprise Solutions Group (ESG), serves large corporates spanning BFSI, healthcare, government/PSUs, manufacturing etc. for their various needs such as IT governance, risk management & compliance; software testing & quality assurance; IT infrastructure & service management; IT design and implementation to name a few.

Exchange Vertical and Ecosystem Vertical

It was a proud moment for your Company's commodity Exchange venture, Multi Commodities Exchange of India Limited (MCX), when it became the world's third largest commodity futures Exchange in terms of the number of commodity futures contracts traded for the calendar year 2011, as per FIA Annual Volume Survey released in March 2012.

MCX also created history in the Indian capital markets after it completed its successful IPO in February 2012 to become the first and only listed

Exchange in India. MCX's IPO, which was oversubscribed 45 times, saw fantastic interest from the retail investor segment with an oversubscription of about 23 times. Your Company reduced its stake in MCX from 31.18% to 26% by divesting part of its holdings through the IPO, to comply with regulatory requirements of promoter companies in national commodity Exchanges.

The FTIL Group's other exchanges ventures in India are leaders in their respective asset classes. Indian Energy

Exchange (IEX) led the electricity markets with a 92% market share in the day ahead trading market and in the Renewable Energy Certificates (REC) trading. The National Spot Exchange Limited (NSEL) is an undisputed leader in the electronic commodities spot market in India with a market share of around 99%.

Your Company's international Exchange ventures namely SMX, GBOT and BFX have been steadily establishing their presence as pioneering multi-asset class Exchanges in Singapore, Mauritius and Bahrain respectively.

Among your Company's Ecosystem ventures, National Bulk Handling Corporation (NBHC) enhanced its pan-India presence and the FT Knowledge Management Company (FTKMC) bagged major internal projects. Your Company's information dissemination venture, TickerPlant, has introduced new enhanced services, functionalities and operating system compatibility through its MarketView Terminal™. Your company's digital

transaction processing venture, atom Technologies, has forged several alliances with Indian private and public sector entities across services and utilities.

Your Company's ventures serve diverse asset classes spread across geographies, but still retain the unique ambition of democratizing financial markets and channeling savings into economic development in the nations where they operate. Your Company is poised to play a key role in increasing the flow of funds into the formal banking channel and enhancing availability of affordable capital for expansion. Through its Exchange ventures in India, it will contribute in making the nation far more self-sustainable by enabling access to efficient and cost-effective financial markets. These Exchanges, complemented by the Ecosystem ventures, will enable smooth price discovery, enhance job creation and democratize growth opportunities in this highly diverse yet unique country.

Your Company's standalone financials* for the year ended 31st March, 2012 are as follows:

Operating Revenue*

Total Income increased to ₹5,446 million, as against ₹4,378 million in the previous year, which, in percentage terms, amounts to a rise of 24.39%.

EBITDA increased by 50.76% to ₹3,662 million, as against ₹2,429 million the previous year.

PAT rose by 29.42% in the year to ₹2,670 million, compared to ₹2,063 million in the previous year.

Your Company has since last 25 consecutive quarters declared and paid dividend to its Shareholders. During the year, your Company has declared and paid three interim dividends of 100% each (₹6/- per share on par value of ₹2/- per share) to its shareholders and a final dividend of 100% (₹2/- per share) recommended will be paid subject to the approval of Shareholders at the ensuing Annual General Meeting.

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

Group Business Highlights

As your Company continues to successfully enhance its footprint and market share in its three business verticals, I share with you some key business highlights for the year under review:

- **ODIN™** continues to be India's leading end-to-end technology solutions provider that powers over 10 exchanges (in India and abroad) by deploying over 897,000 licenses. As of 31st March 2012, it has served more than 1,000 institutions and brokerage clients, including the top 50 public and private sector banks in India.
- Your Company's Exchange Solutions' division now offers trade in Energy through **PowerARMS™** (Power Automated Risk & Matching System). PowerARMS™ was deployed for Day Ahead Market at the Indian Energy Exchange (IEX) to enable trading, risk management as well as clearing and settlement.
- **MCX** has become the world's third largest commodity futures exchange in terms of the number of commodity futures contracts traded in CY 2011 as per FIA Annual Volume Survey released in March 2012. It retained its leadership position in India's commodity futures market, with 86% market share. Its average daily turnover during the fiscal increased 57% year-on-year to ₹503.13 billion. MCX also recorded its highest ever daily turnover of ₹1,116.66 billion, on 23rd September, 2011.
- **MCX** became India's first listed Exchange on 9th March, 2012 with its IPO being oversubscribed 45 times.
- **National Spot Exchange Ltd. (NSEL)**, India's No.1 commodity spot exchange, maintained its leadership position with over 99% market share in India's electronic commodity spot market. NSEL launched e-Nickel under its e-Series, India's first Commodity Investment product that can be bought, sold and held in demat form with the option of getting physical delivery at various locations across the country. NSEL recorded 277% increase in turnover which stood at ₹3.04 lakh crore or ₹3.04 trillion, as against the last financial year. NSEL successfully empanelled 174 Depository Participants (DPs) to provide pan-India demat service for e-Series products to retail investors.
- **Indian Energy Exchange (IEX)** has maintained its leadership position in India's power trading market with a market share of 92% in the day ahead trading market and 94% in REC volumes, for the year under consideration. IEX has emerged as India's preferred trading platform with nationwide reach covering 80 members and over 1,600 registered clients as on 31st March, 2012.
- **Singapore Mercantile Exchange (SMX)** completed a year of operations and launched Base Metal products with its copper contracts. SMX launched the world's first global black pepper futures contract. SMX recorded 2045% growth in average daily volumes and was named as the world's fastest growing Exchange by FOW 2011 Contract Review.
- **Global Board of Trade (GBOT)** also showed a good growth of 63% in its average daily trading volumes as compared to the previous year. During the year, GBOT launched crude oil (WTI) contract and also launched delivery based USD-MUR contract enabling organizations and corporate houses to effectively mitigate oil price risks as well as their USD exposures.
- **Bahrain Financial Exchange (BFX)** launched its conventional trading segment, which offers derivatives trading in various asset classes, in November 2011. The Exchange launched its Islamic finance division – Bait Al Bursa in February 2011, thereby creating the region's first Exchange operated Islamic finance platform.
- **National Bulk Handling Corporation (NBHC)** enhanced its pan-India presence with over 900 locations covering 19 states and more than 35 quality assurance laboratories. It is currently associated with 37 leading banks and financial institutions in India and has surpassed ₹24,700 crores or ₹247 trillion in cumulative value of storage receipts issued under collateral management arrangements.
- **FT Knowledge Management Company (FTKMC)** bagged major projects such as drawing the road map for knowledge management undertaken for Capital Market Authority, Saudi Arabia; conducting a study on grain price risk management in East and Southern Africa for the Food and Agriculture Organization (FAO); conducting a study on Financial Services Outsourcing for GLZ, as a part of its project Sino-German Tianjin Modern Financial System Development Project, China.
- Your Company's information dissemination venture, **TickerPlant**, has further enhanced its MarketView Terminal™ - an integrated cross asset, market data, news and analytics platform that offers real-time streaming information. New functionalities incorporated in MarketView Terminal™ include bond calculators, curve analysis, tickwatch, screeners, pivot point reports, market breadth indicators, arbitrage watch, spread watch, etc. Android and Ipad versions of MarketView™ have also been launched.
- Your Company's digital transaction processing venture, **atom Technologies**, tied up with over 300 merchants spanning Indian private and public sector entities across services and utilities. It has processed more than 3.5 million transactions in FY 2011-12 worth over ₹1700 crores or ₹17 billion.

Financial Inclusion – an imperative

Financial inclusion is an imperative for India to realize its vast untapped potential and attain double-digit growth. Your Company is strongly placed to augment this financial inclusion process. Your Company's tech-centric exchange ventures across asset classes are risk mitigation avenues which aid efficient price discovery and stream savings into productive investments for economic development and job creation.

Besides providing employment to resources associated with electronic exchange systems, your Company has also created jobs for other participants in the financial ecosystem through its ventures in warehousing, info-vending services, knowledge training, etc. Your Company and its exchange and ecosystem ventures also generate indirect employment. A joint study by a leading global management consultancy and India's leading social sciences institute, commissioned by India's largest industry association has estimated that your Company and its Exchange and Ecosystem ventures have contributed majorly to the 1.5 million jobs created in the Indian commodity markets space.

Your Company ensures access to appropriate financial products and services required by all socio-economic classes especially the vulnerable groups. Your Company's Exchanges and Ecosystem ventures bring the un-banked and price risk prone farmers to the mainstream. To cater to small and medium enterprises and retail investors, MCX has developed contracts with small lot sizes and NSEL has developed the e-series products. This has enabled your Company to promote financial inclusion and equitable growth. Your company strongly advocates the importance of financial market education in enabling financial inclusion. Through its group ventures, it has been offering various financial market courses to increase awareness on:

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

The year ahead

Your Company believes in continual improvement and has a never ending desire to excel. Your Company's Technology vertical will create more products and add more features to the existing ones to make trading more seamless than now.

Our razor sharp focus on bringing the best in financial markets to our clients will continue. We will further align with the new innovations in technology and financial markets to make our exchanges more affordable and ubiquitously accessible. The year ahead will see an exchange promoted by your Company venturing into equity, equity derivatives, interest rate futures and wholesale debt markets in India. Your Company's pan-African commodity derivatives exchange based out of Botswana will also

commence operations soon. We will continue to strengthen the leadership position of all our ventures and will enhance our market share and more importantly, the mindshare among our esteemed customers and clients.

On behalf of Financial Technologies and its entire team, I thank our Shareholders, the Government, Regulators and all our Stakeholders for the continued support and look forward to the same as we endeavor to create the world's largest financial market network.

Jignesh Shah

Chairman & Managing Director

Group Overview

Financial Technologies Group

The Financial Technologies Group offers a unique business model integrating its domain knowledge of end-to-end IT-enabled transaction and exchange technology with creating and operating Exchanges. Under the Exchange vertical, the Group has 9 greenfield Exchanges connecting the fastest-growing economies of Africa, Middle East, India and Southeast Asia. The Group's business model of setting up and operating efficient markets (exchanges) is well supported by the ecosystem vertical to bring about long-term sustainability and robustness in creating value for all its stakeholders, be it market participants, intermediaries or end-users.

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

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

The Group's Ecosystem vertical addresses upstream and downstream opportunities to support its exchanges, including clearing, depository, information vending, and payment gateway, among others.

Technology Vertical

Exchange Solutions



Brokerage Solutions

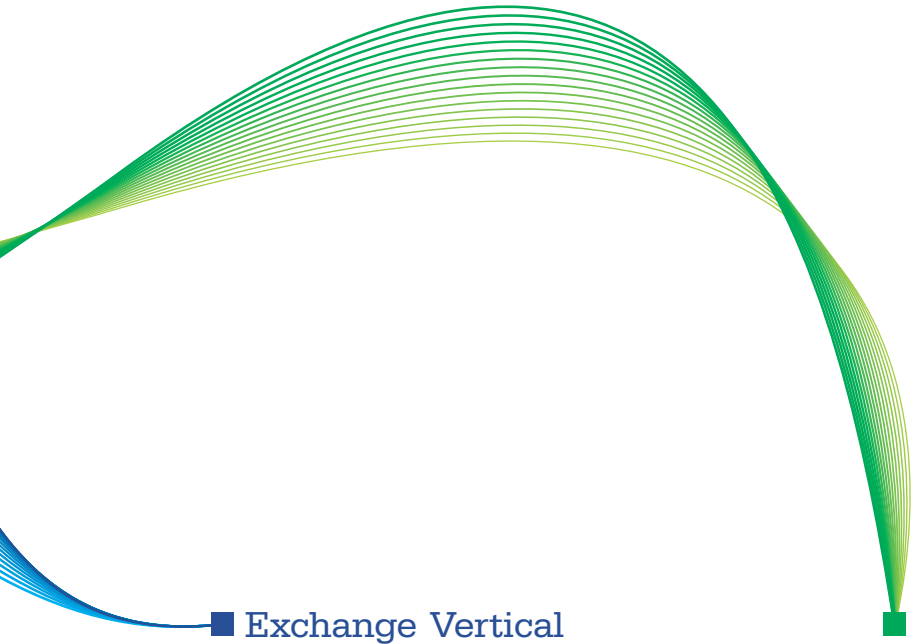


Messaging Solutions



Consulting Solutions





■ Exchange Vertical

■ Ecosystem Vertical

Commodity

Commodity & Collateral Management



Futures



Spot



08

International Multi-Asset Exchanges

Payments Processing



Mauritius



Singapore



Botswana



Bahrain

Digital Information Broadcasting



Dubai



Energy

Forex Spot

Knowledge Training



Awards & Recognition

Awards

- **Shri Salman Khurshid**, Honorable Union Minister for Law & Justice, presented the **Golden Peacock HR Excellence Award 2011** to **FTIL** on the 22nd IOD Annual Day

- **FTIL** was declared a winner in the **"IT Services SME category at the Data Security Council of India (DSCI) Excellence Awards 2011"**. The award was presented by **Shri Sachin Pilot**, Honorable Minister of State, Ministry of Communications & Information Technology

- **MCX** was conferred the **"Best Commodity Exchange of the Year 2011"** award at the India International Gold Convention 2011 on 19th August, 2011 at The Leela, Kovalam, Kerala

- On the 22nd IOD Annual Day, **NSEL** received the **Golden Peacock Innovative Product/Service Award** for its product **"e-Series"** - declared as the 'most innovative product from a Commodity Exchange'

- **NSEL** won the award for **'Best innovation by an Exchange in the field of Product Design - South East Asia (e-Series)'** by FOW on 17th November, 2011

- **BFX** won the **'Best Innovative Forex Product Award 2012'** at the 7th Jordan Forex Expo & Awards in Amman, Jordan on 8th May, 2012

- **GBOT** was conferred the **MarCom Award** by the U.S based AMCP for its online initiative www.gbotmarkets.com and E-newsletter

- **atom Technologies** received the **India SME Innovation Award** for "An innovative Payment Solution for SMEs"

Recognition

- **FTIL** featured in the **American Bankers FINTECH 100 Rankings 2011**, an annual international listing of the top vertical technology vendors that derive more than one third of their revenue from financial technology industry

- **FTIL** received its **ISO 20000:2005 certification** and became among the first 50 organizations in India and the first 600 organizations world-wide to attain this certification

- High availability feature of **ODIN™** was tested successfully by Deloitte. **ODIN™** was also **successfully tested and certified by IBM, CISCO and Huawei** at their respective laboratories

- **SMX** was named the world's fastest growing exchange by **FOW 2011 Contract Review**

6 Years at a Glance

Standalone

Financial Performance

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

For the Financial Year Ended	2007	2008	2009	2010	2011	2012
Total Income	1,741	2,311	4,994	4,114	4,378	5,446
EBITDA	1,187	1,384	3,292	2,163	2,429	3,662
Profit After Tax	990	970	2,702	1,880	2,063	2,670

₹ million

Financial Position

For the Financial Year Ended	2007	2008	2009	2010	2011	2012
Fixed Assets	691	2,073	2,841	2,739	4,245	4,705
Investments*	4,144	13,743	14,445	20,019	18,607	17,380
Cash and Cash Equivalents*	2,958	12,112	11,617	10,095	9,025	14,038
Debt	4,344	3,995	4,611	4,085	4,041	5,627
Networth	1,987	14,694	17,497	20,417	20,605	24,548

₹ million

*Includes investments in mutual fund

Ratio Analysis

Performance Ratios

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

For the Financial Year Ended	2007	2008	2009	2010	2011	2012
EBITDA/Total Income	68%	60%	66%	53%	55%	67%
Effective Tax Rate: Tax/PBT	15%	22%	16%	11%	11%	16%
PAT/Total Income	57%	42%	54%	46%	47%	49%

Per Share Ratios

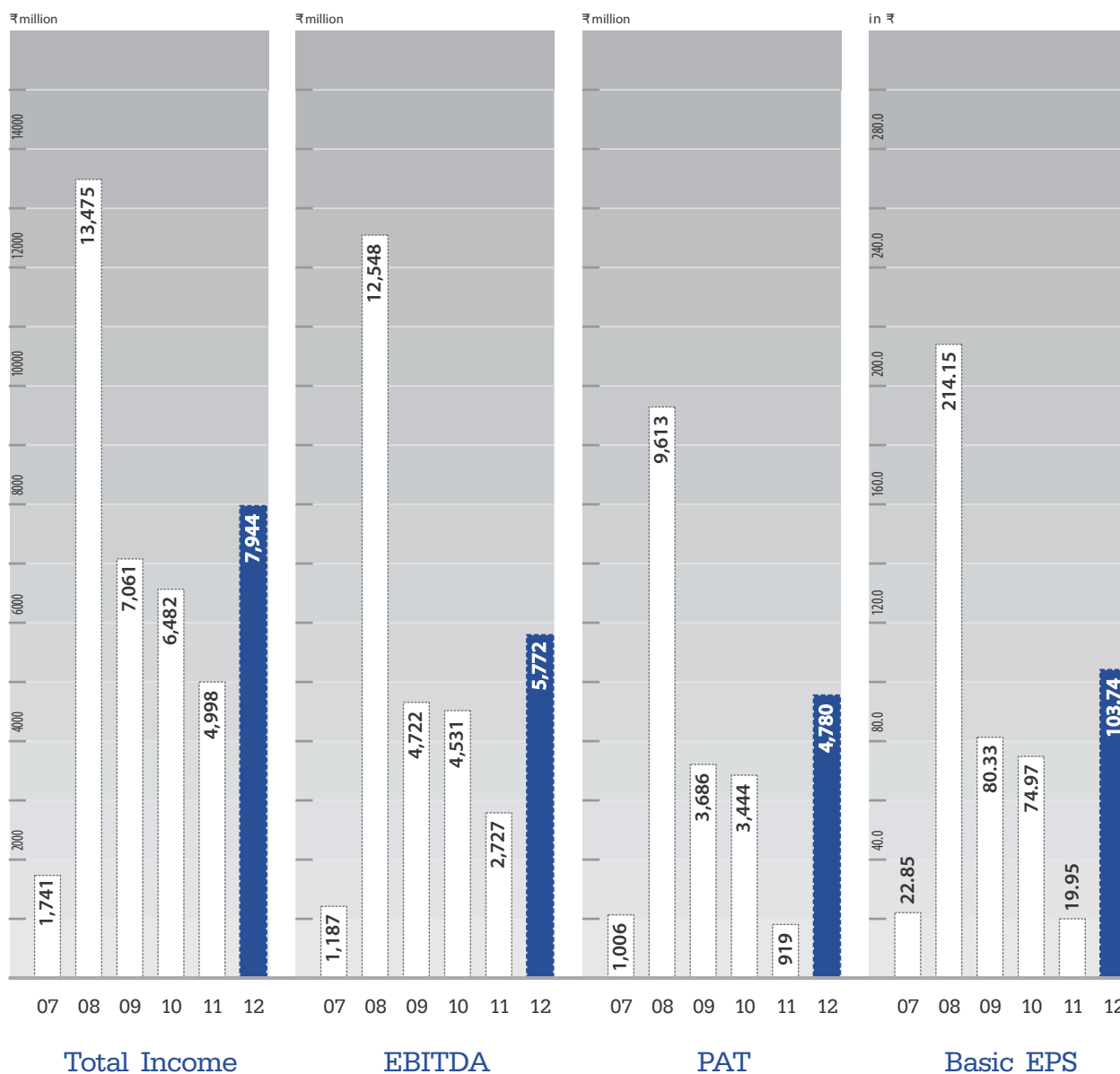
(Excluding capital gains, diminution in long term investment and exceptional items)

For the Financial Year Ended	2007	2008	2009	2010	2011	2012
Basic EPS (₹)	22.48	21.61	58.89	40.93	44.77	57.95
Book Value (₹)	45.05	320.24	381.33	443.08	447.16	532.75
Dividend Per Share (₹)	8.00	20.00	10.00	8.00	8.00	8.00

Financial Highlights

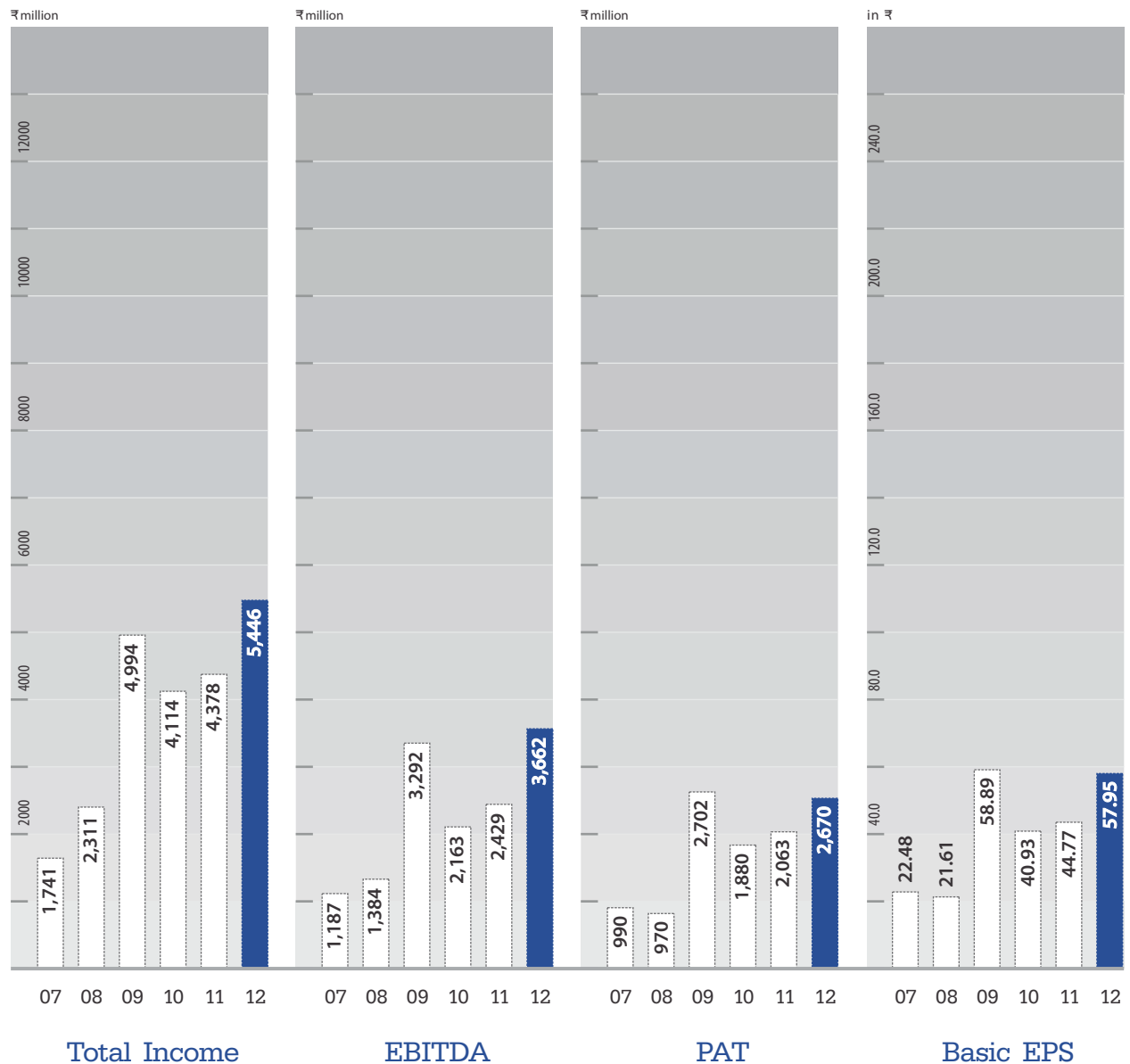
Financial Growth (Standalone)

Financial Performance (Including capital gains, diminution in long term investment and exceptional items)



Financial Growth (Standalone)

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



Global Presence

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Ahmedabad

A-1011, 10th Floor, Atma House,
Opp. Old RBI, Near Times of India,
Ashram Road, Ahmedabad - 380 009.
T : +91 79 3007 4141
F : +91 79 3007 4957
ahmedabad@ftindia.com

Hyderabad

Door no. 201, 2nd Floor,
Meridian Plaza 6-3-853,
Ameerpet, Hyderabad - 500 016.
T : +91 40 3250 6470
F : +91 40 4007 5037
hyderabad@ftindia.com

Bengaluru

2nd floor, 206, Money Chambers 6,
K. H. Road, Bangalore - 560 027.
T : +91 80 4167 3706
M: +91 99 4565 4307
bangalore@ftindia.com

Kolkata

BNCCI House, 3rd Floor, 23,
R. N. Mukherjee Road, Kolkata - 700 001.
T : +91 33 6615 9000
F : +91 33 6615 9010
kolkata@ftindia.com

Exchange Ventures

India

Multi Commodity Exchange of India Ltd.

Exchange Square, CTS No. 255, Suren Road, Andheri (East), Mumbai - 400 093.
T : +91 22 6731 8888
F : +91 22 6649 4151
info@mcxindia.com
www.mcxindia.com

National Spot Exchange Ltd.

FT Tower, CTS. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai - 400 093.
T : +91 22 6761 9900
F : +91 22 6761 9931
info@nationalspotexchange.com
www.nationalspotexchange.com

Indian Energy Exchange Ltd.

100A/1 Ground Floor, Capital Court, Olof Palme Marg, Munirka, New Delhi – 110 067.
T : +91 11 4300 4000
F : +91 11 4300 4015
info@iexindia.com
www.iexindia.com

International

Singapore Mercantile Exchange Pte Ltd.

1 Temasek Avenue, #23-02 Millenia Tower, Singapore 039 192.
T : +65 6590 3700
F : +65 6532 2773
info@smx.com.sg
www.smx.com.sg

Bahrain Financial Exchange

12th Floor, East Tower, Bahrain Financial Harbour, P. O. Box: 1936, King Faisal Highway, Manama, Kingdom of Bahrain.
T : +973 16 511 511
F : +973 16 511 599
info@bfx.bh
www.bfx.bh

Global Board of Trade Ltd.

Ebène House, 1st Floor, 33, Cybercity, Ebène Mauritius.
T : +230 404 0000
F : +230 464 7000
info@gbot.mu
www.gbot.mu

Bourse Africa Ltd.

Plot No. 50362, Office No. 2b, 1st Floor, Fairgrounds Office Park, Gaborone, Botswana.
T : +267 316 0605
F : +267 316 0622
info@bourseafrica.com
www.bourseafrica.com

Dubai Gold & Commodities Exchange

Emaar Business Park, Bldg No. 2, Level 1 Sheikh Zayed Road, Near Interchange 5, P. O. Box 37736, Dubai, UAE.
T : +9714 361 1616
F : +9714 361 1617
info@dgcx.ae
www.dgcx.ae

Ecosystem Ventures

National Bulk Handling Corporation Ltd.

9th Floor, Everest Nivara Infotech Park-1, Plot No. D-3, TTC Industrial Area, Turbhe, MIDC, Navi Mumbai - 400 705.
T : +91 22 3063 1000
F : +91 22 3063 1010
info@nbhcindia.com
www.nbhcindia.com

atom technologies Ltd.

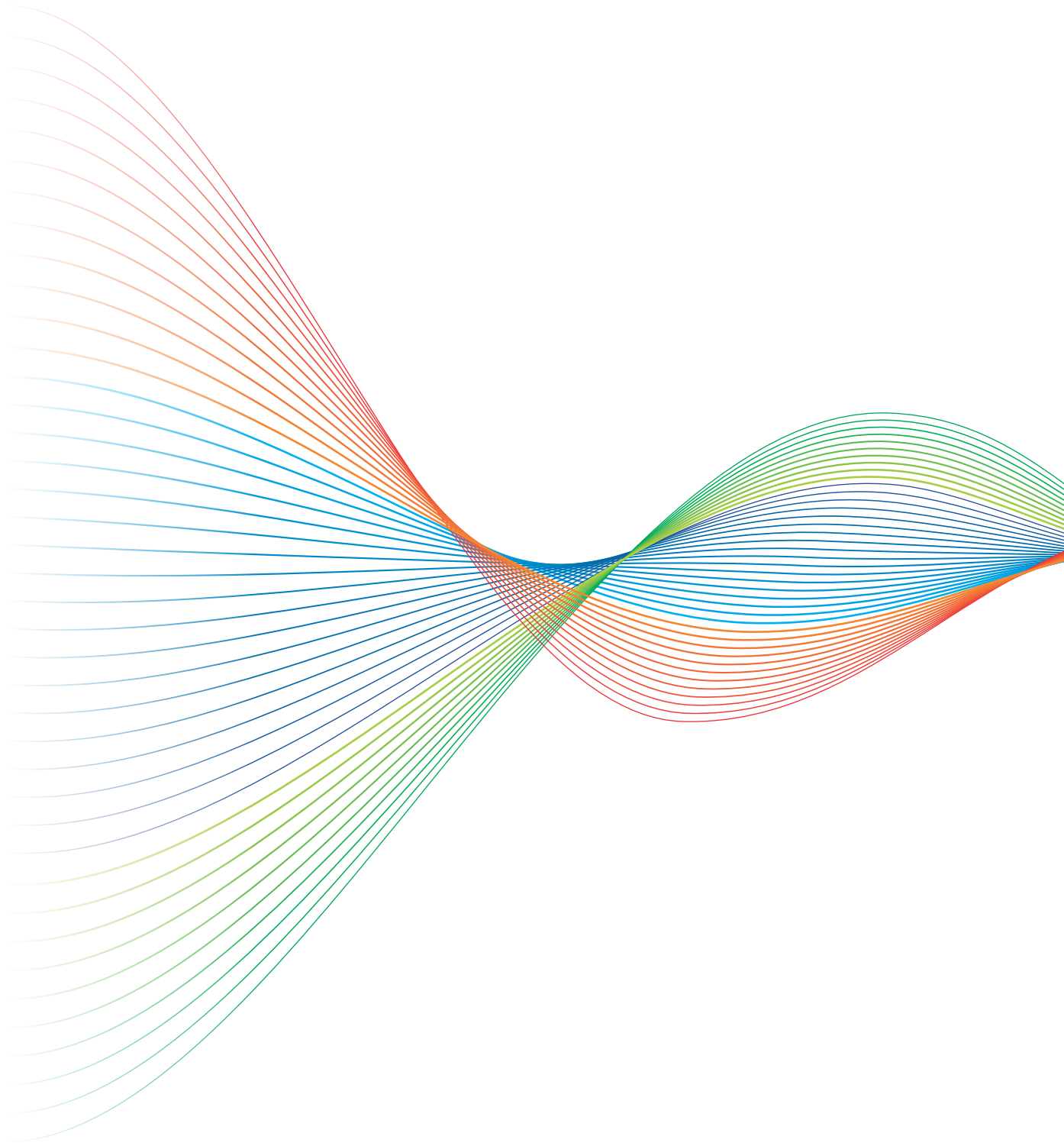
FT Tower, CTS. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai - 400 093.
T : +91 22 6686 4010
F : +91 22 6686 4050
info@atomtech.in
www.atomtech.in

TickerPlant Ltd.

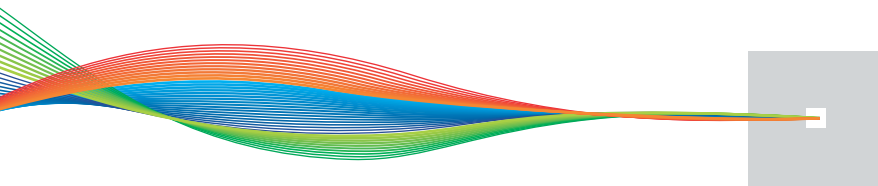
FT Tower, CTS. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai - 400 093.
T : +91 22 6686 6010
F : +91 22 6686 6050
info@tickerplantindia.com
www.tickerplantindia.com

FT Knowledge Management Company Ltd.

FT Tower, CTS. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai - 400 093.
T : +91 22 6686 1010
F : +91 22 6686 6050
info@ftkmc.com
www.ftkmc.com



Directors' Report



Diverse | Unique
Functions. | Coherence.

Directors' Report

To,

The Members,

Your Directors present the Twenty Fourth Annual Report of your Company together with the Audited Statement of Accounts for the year ended 31st March, 2012.

Financial Performance

(₹ million, except per share data)

Particulars	Standalone	
	Current Year 2011-12	Previous Year 2010-11
Total Income	7,944.07	4,997.51
Total Operating Expenditure	2,172.11	2,270.73
EBITDA	5,771.96	2,726.78
Finance Cost	304.42	7.03
Depreciation/ amortization	173.01	110.89
Profit before tax and exceptional item	5,294.53	2,608.86
Exceptional item	–	2,091.65
Profit before tax	5,294.53	517.21
Tax expense / (credit)	514.24	(402.14)
Net Profit for the year	4,780.29	919.35
Add: Balance brought forward from previous Year	14,125.49	13,759.28
Balance Available for appropriation	18,905.78	14,678.63
Appropriations		
Final dividend (proposed)	92.16	92.16
Interim dividend	276.47	276.47
Tax on dividend	59.80	60.51
Transfer to General Reserve	526.00	124.00
Balance carried forward to Balance Sheet	17,951.35	14,125.49
Earnings per share		
Basic & Diluted (₹)	103.74	19.95

Result of Operations:

Standalone Financials

During the financial year 2011-12, the revenue from operations of the Company stood at ₹4,255.48 million, against ₹3,576.85 million in the previous year, an increase of 18.97%. The net profit after tax was ₹4,780.29 million, against profit after tax of ₹919.35 million in the previous year, an increase of 419.97%.

Business Overview: Fiscal Year 2011-12

The Financial Technologies Group has three business lines namely Technology, Exchange and Ecosystem. The Technology business provides trading technology solutions which spans the trading life cycle viz. pre-trade, trade and post-trade. The Group's expertise and experience in creating trading technology solutions presents it a unique advantage in creating and operating exchanges across various asset classes and in various geographies. The Group has also been a pioneer in leveraging its technology and exchange creation expertise to create Ecosystem ventures which address opportunities around the exchanges in the realm of clearing and settlement, warehousing and collateral management, information dissemination, knowledge training, and digital transactions, among others.

Under its Technology business, your Company has been creating solutions customized to suit the requirements of the clients while also keeping pace with the latest market developments. During the year, your Company deployed Energy solution — PowerARMS™ (Power Automated Risk & Matching System), which enables trading, risk management and clearing & settlement for the Day Ahead Market at the Indian Energy Exchange (IEX). In order to manage growing volumes of trading data, your Company adopted eXtremeDB, from McObject®, in its Microsoft based trading platform — DOME (Distributed Order Management Engine) and in other software products responsible for aggregating data from

multiple sources, filtering it to support end-user requests, and enabling recognition of patterns of interest. Your Company deployed DOME and CnS (Clearing & Settlement) at the Bahrain Financial Exchange (BFX) to enable efficient trading, risk management, clearing & settlement and data dissemination at the exchange which commenced trading last year.

ODIN™, your Company's flagship Brokerage product, continues to be the first choice of every brokerage house in India and holds a major market share in the country's electronic trading solutions space. In the current year, ODIN™'s capabilities have been enhanced to enable trade in new exchange segments such as NSE Currency Derivatives. Many RMS features have also been added to ODIN™ to enable efficient risk management and customized messaging delivery through various channels such as email, SMS, Online, etc. ODIN™ has been made two-factor-authentication compliant as well.

ODIN™ Program Trading, your Company's product offering in automated trading, has been significantly augmented in terms of speed, execution capabilities and execution avenues such as NSE, BSE, NCDEX, etc. For large Institutions, your Company has introduced execution based ALGOs, which enable better execution of large quantity orders. These ALGOs maintain anonymity, minimize market impact in price volatility, and help achieve a better trade price in the market. For Propdesk Traders, your Company has launched over 30 strategies in different categories including Arbitrage-based, Technical Trading-based, Options based and Execution-based strategies among others.

For Browser-based Trading, your Company has introduced a new platform using cutting edge technology, which equips the user with better User Interface and enriched look and feel. It also enables ease of operations, and offers capabilities such as advanced charting and user defined customization which have been well appreciated by the market participants. Your Company

has also launched mobile trading solution using smart phones and tablets which run on iOS, Android, Blackberry OS, etc.

Your Company is one of the leading providers of end-to-end STP technology solutions for Institutional Investors and related counterparts. Its intelligent messaging solutions provide a seamless STP framework and bring brokers, fund managers and custodians together through secure online connectivity on a common messaging platform.

In its Exchange business, the Multi Commodity Exchange of India Ltd. (MCX), promoted by your Company became the first listed Exchange in India. In terms of the number of futures contracts traded in CY 2011, MCX was the third largest commodity exchange (*Source: data published on the websites of exchanges and FIA Annual Volume Survey released in March 2012*). MCX continued to be the market leader in FY 2011-12 with 86% market share of India's commodity derivatives market. Companies promoted by your Company, viz. spot exchange, National Spot Exchange Ltd. (NSEL) and energy exchange, Indian Energy Exchange Ltd. (IEX) led their respective markets with market share of 99% and 92%, respectively. Your Company's international exchange venture, Singapore Mercantile Exchange (SMX) has been named as the fastest growing exchange in the world by FOW 2011 Contract Review.

Your Company's Ecosystem businesses have been increasing their foothold in the Indian market and enhancing the reach of the exchange ventures. National Bulk Handling Corporation (NBHC), your Company's warehousing and collateral management initiative, has enhanced its network in 19 Indian states and caters to over 160 commodities. atom Technologies (atom), your Company's digital transaction initiative, won the SKOCH Financial Inclusion Award for Technology.

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

Dividend

During the year under review, your Company paid three interim dividends totaling ₹276.48 million (₹6 per share on par value of ₹2/- per share). The Directors recommended a final dividend of ₹2/- per share i.e.100% on par value of ₹2/- each, subject to the approval of the shareholders at the ensuing Annual General Meeting. The total dividend – including interim and final – aggregated ₹8/- per share, i.e. 400% on par value of ₹2/- each for the financial year ended 31st March, 2012 (in the previous year a total dividend of ₹8/- per share on par value of ₹2/- each i.e. 400% was paid). The total appropriation on account of interim and final dividend and tax thereon aggregating to ₹428.44 million.

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

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

(₹in million except dividend per share data)

Particulars	Interim Dividends			Final Dividend	Total
	1 st Interim	2 nd Interim	3 rd Interim	Proposed	
Dividend per share (in ₹)	2	2	2	2	8
Dividend (Amt. in ₹million)	92.16	92.16	92.16	92.16	368.64
Tax (Amt. in ₹million)	14.95	14.95	14.95	14.95	59.80
Total (Amt. in ₹million)	107.11	107.11	107.11	107.11	428.44

Transfer to Reserves

The Company proposes to transfer ₹526.00 million to the General Reserve, out of the amount available for appropriations, and an amount of ₹17,951.35 million is proposed to be retained in the Profit and Loss Account.

Share Capital and Foreign Currency Convertible Bonds (FCCBs)

a) Equity

There was no change in the Share Capital of the Company during the year under review. As on 31st March, 2012, the paid-up Share Capital of your Company stood at ₹92.16 million comprising 46,078,537 equity shares of ₹2/- each.

b) Zero Coupon Foreign Currency Convertible Bonds (ZCCBs)

During the year under review, 90,500 ZCCBs having face value of US\$ 1,000 each were repaid by the Company on the due date i.e. 21st December, 2011 and the Bonds were delisted from the Singapore Exchange Securities Trading Limited w.e.f. 27th December, 2011 and there is no outstanding as on 31st March, 2012.

Investment

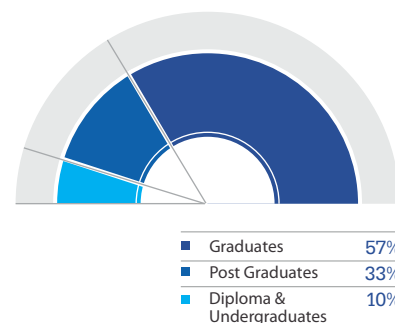
At the end of FY 2011-12, your Company's investments (current + non-current) stood at ₹17,380.39 million, as compared to ₹18,504.38 million in the previous fiscal. The total investment mainly comprised of investment in mutual funds, subsidiaries, joint venture and associate companies. The reduction in investments was mainly on account of reduction in capital by two of its subsidiaries viz. atom Technologies Ltd. and TickerPlant Ltd. as approved by the Hon'ble High Court, Bombay. For more details, please refer to the audited financial statements, covered elsewhere in this Annual Report.

Human Resource Development

Your Company believes in providing a stimulating environment that helps develop core competencies in employees and equips them to excel in a dynamic business environment. The Human Resources (HR) philosophy of your Company is to create pride, trust and camaraderie, and treat every employee as an employer and a customer. HR believes in partnering with the employees to ensure that they succeed. It emphasizes on quality teamwork to build a progressive organization empowered by technology and aided by processes that deliver a consistent superior value to its clients. Knowledge, information, experience and resource sharing across all levels is encouraged to ensure development of core competencies amongst employees. Your Company believes in making work an enjoyable experience by providing the right balance between work and fun. Open communication is established across all levels through varied communication channels such as Open House, Departmental meets, HR Zone (e-HR), among others. The e-mail facility of HR ensures that the HR team is always available to understand issues and help employees. Your Company is driven by commitment and aided by technology and quality practices, which has made it a great place to work.

As of 31st March, 2012, the total employee strength of your Company (excluding your Company's associate and subsidiary companies) stood at 1,155.

Employee count as on 31st March, 2012



Awards/Recognition

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

Subsidiaries

As per Section 212 of the Companies Act, 1956, the Company is required to attach the Directors' Report, Balance Sheet and Profit and Loss of its subsidiaries. The Central Government has granted general exemption from complying with Section 212 of the Companies Act, 1956 to all companies vide Notification number 5/12/2007-CL-III dated 8th February, 2011.

In terms of the exemption vide notification as stated above, the Balance Sheet, Profit and Loss Account, Reports of the Board and Auditors of the subsidiaries do not form a part of this Annual Report.

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

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

Related Party Transactions

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

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

Employees Stock Option Plan (ESOP)

During the year under review, under ESOP Schemes 2009 and 2010, your Company granted 18,00,000 stock options to various employees at an exercise price of ₹770/- per share and are in force as on 31st March, 2012.

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

Quality

Reinforcing its commitment towards high levels of quality and best-in-class services, this year your Company moved a step forward, and certified to ISO/IEC 20000:2005 standard for its Information Technology Service Management System. This certification is based on the ITIL[®] framework which was popularly known as BS 15000. The standard mandates organizations to establish service objectives, based on defined business objectives, and customer requirements.

Further, your Company continues to maintain an effective Quality Management Framework, which is again in line with its business objectives. Over the years, your Company has evolved with mature processes, which assist in commendably reducing unpredictability across various business operations. In affirmation of your Company's dedication and commitment towards sustaining a robust Quality Management System, it successfully cleared the ISO 9001:2008 Surveillance Audit, after rigorous process audits across all its key operations.

Your Company's commitment towards ensuring Information Security and providing assurance to its stakeholders

continues. Aligned to this objective, your Company has a proactive Risk Management approach, and ensures that risk assessment activities are carried out on a periodic basis. This year too, your Company underwent stringent information security related audits, for its Information Security Management System, and retained its ISO/IEC 27001:2005 certificate. These accolades are in line with your Company's vision of becoming a globally recognized company that provides high quality software and business solutions.

Risk Management

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

Insurance

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

Internal Control System and Their Adequacy

Your Company has a well-placed, proper and adequate internal control system, which ensures that all assets are safeguarded and protected and that the transactions are authorized, recorded and reported correctly. The Internal control system is improved and modified on an on-going basis to meet the changes in business conditions, accounting and statutory requirements. The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms.

Corporate Governance

Your Company is committed to good Corporate Governance Practices. The report on Corporate Governance, as stipulated in Clause 49 of the Listing Agreement, is annexed hereto, and forms a part of this Annual Report.

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

Management Discussion and Analysis Statement

Management's Discussions and Analysis Statement forms a part of this Annual Report.

Corporate Social Opportunity (CSO)

The year 2011-12 was an eventful one from the Corporate Social Opportunity perspective of the Company in terms of the various activities conducted during the year, thereby creating a significant impact on the society and community at large.

- The 5th nationwide blood donation drive was organized on 23rd May 2011 in association with BSES Hospital (Rotary Blood Bank). Two hundred and sixty seven (267) units were collected.
- World Environment Day was celebrated by your Company, its associate and subsidiary companies. With an aim to sensitize employees about environment conservation, a series of activities were organized. Some employees volunteered at Ashadeep Association, an NGO, where a discussion on environmental conservation was organized.
- On the occasion of Children's Day (14th November) online books donation campaign was launched with the Pratham Books. Donations collected from the employees were utilized to purchase books, which were distributed among the under privileged children.

- World HIV/AIDS Day was celebrated on 1st December, 2011. Posters aimed at creating awareness on HIV/AIDS were displayed at prominent places in the office premises.
- Your Company participated in the 9th Standard Chartered Mumbai Marathon 2012 and pledged its support to Aditya Jyot Foundation, which reaches out to the low income groups of the society through free eye camps and free eye treatment. The employees who participated in the Marathon also visited the Aditya Jyot Hospital located in Wadala, Mumbai and learnt about the vision, mission and operations of the organisation.
- On the occasion of Women's Day 2012, your Company partnered with IDOBRO – a platform for small scale women artisan groups and entrepreneurs. An online shopping portal of artifacts for employees was designed helping the NGO to generate ₹28,766/- through sale of various handmade products.

Directors

In accordance with the provisions of the Companies Act, 1956, and the Company's Articles of Association, Mr. R. Devarajan and Mr. P. R. Barpande, Directors of your Company, retire by rotation at the ensuing Annual General Meeting (AGM), and being eligible, offer themselves for re-appointment. During the year, the Board re-appointed Mr. Jignesh Shah as the Managing Director and Mr. Dewang Neralla as a Whole-time Director for a further period of three years w.e.f. 31st January, 2012. The Board also inducted Mr. Manjay Shah as a Board member and designated him as Whole-time Director of the Company w.e.f. 01st April, 2012, subject to the approval of shareholders in the ensuing Annual General Meeting.

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

Directors' Responsibility Statement

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

- a. That in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- b. that they have selected such accounting policies and applied them consistently and they have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the Company affairs, and profit or loss of the Company, at the end of the financial year;
- c. that they have taken proper and sufficient care to maintain adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that they have prepared the annual accounts on a going concern basis.

Auditors

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

Statutory Information

i. Fixed Deposits

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

ii. Particulars of Employees

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, the name and other particulars of the employees are required to be set out in the Annexure to the Directors' Report. However, as per the provisions of Section 219(1)(b)(iv) of the said Act, the Annual Report, excluding the aforesaid information is being sent to all the Members of the Company and others entitled thereto. Members who are interested in obtaining such particulars may write to the Company at its Registered Office.

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

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

iv. "Group" for Inter-se Transfer of Shares

The list of Group companies/ Associates/joint Ventures as required under Clause 3(1)(e) of the erstwhile Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, persons constituting "Group" (within the meaning as defined in the erstwhile Monopolies and Restrictive Trade Practices Act, 1969) for the purpose of availing exemption from the provisions of Regulations 10 to 12 of the aforesaid SEBI Regulations is enclosed and forms part of this Annual Report. However, the aforesaid SEBI (SAST) Regulations, 1997, have been amended with Securities & Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations 2011, vide notification dated 23rd September, 2011.

v. Special Business

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

Acknowledgment:

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

For the continued support of investors, business associates and unstinting efforts of employees in ensuring an all-round operational performance of your Company, your directors also wish to place on record their sincere thanks and appreciation.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 6th August, 2012

Dewang Neralla
Whole-time Director

Chandrakant Kamdar
Director

ANNEXURE "A"

To The Directors' Report

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

Conservation of Energy

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

Technology Absorption, Research & Development

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

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

Amount spent: Revenue Expenses ₹128.98 million

Foreign Earnings & Outgo

The details of foreign exchange expenses and earnings are mentioned in Notes 30(A) and 30(B) of the financial statements.

ANNEXURE “B”

To The Directors' Report

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

Description	ESOP – 2009	ESOP-2010
a. Options granted	9,00,000	9,00,000
b. Exercise price per option (The exercise price of the option is the market price of the shares as defined under the SEBI Guidelines, as on the grant date)	₹770.00 per share	₹770.00 per share
c. Options vested	Nil	Nil
d. Options exercised	Nil	Nil
e. Options lapsed/forfeited	Nil	Nil
f. Variations of terms of options	Nil	Nil
g. Money realized by exercise	Nil	Nil
h. Options in force	9,00,000	9,00,000
i. Employee-wise details of options granted during the year–		
i) Senior Management Personnel - Mr. Paras Ajmera	-	106,565
ii) Employees who receive a grant in any one year of option amounting to 5% or more of options granted during that year - Mr. Paras Ajmera	Nil	106,565
iii) Employees to whom options equal to or exceeding 1% of the issued capital have been granted during the year	Nil	Nil
j. Diluted EPS	103.74	103.74
k. Fair value of the options	249.05	249.05
l. The Company has followed the intrinsic value-based method of accounting for stock options granted after 1 st April, 2005, based on Guidance Note on Accounting for Employees Share-based payments, issued by the Institute of Chartered Accountants of India. Had the compensation cost of the Company's stock based compensation plan been determined in the manner consistent with the fair value approach as described in the Guidance Note, the impact on Company's net profit and EPS would be:	The Company's Net Profit for the year would be lower by ₹11.42 million and earnings per share as indicated as below: Adjusted EPS ₹ Basic & Diluted 103.49	
m. Description of the method and significant assumptions used during the year to estimate the fair values of the options, including the following weighted average information:		
i) Expected volatility	42.18% to 45.94%	
ii) Option life	3 years – 5 years	
iii) Dividend yield	0.68 %	
iv) Risk-free interest rate	8.13% to 8.18%	
To allow for the effects of early exercise, it is assumed that the employees would exercise the options after the vesting date. Expected volatility is based on the historic volatility of the share price over the period that is commensurate with the expected term of options.		

List of persons constituting "Group" as defined in the erstwhile Monopolies and Restrictive Trade Practices Act, 1969 for the purpose of Regulation 3(1)(e) of the erstwhile Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, include the following:

I. Promoters

1. La-Fin Financial Services Pvt. Ltd. (Promoter)
2. Jignesh Shah (Promoter)
3. Dewang Neralla (Promoter)

(II) Entities Where Control Exists (Subsidiaries, Including Step down Subsidiaries)

- 1) Tickerplant Limited (Tickerplant)
- 2) IBS Forex Limited (IBS)
- 3) atom technologies Limited (atom)
- 4) Riskraft Consulting Limited (Riskraft)
- 5) National Spot Exchange Limited (NSEL)
- 6) National Bulk Handling Corporation Limited (NBHC)
- 7) Financial Technologies Middle East-DMCC (FTME) (Subsidiary of FTGIPL)
- 8) Global Board of Trade Ltd. (GBOT) (Subsidiary of FTGIPL)
- 9) Singapore Mercantile Exchange Pte. Ltd. (SMX) (Subsidiary of FTSPPL)
- 10) Knowledge Assets Pvt. Ltd. (KAPL)
- 11) FT Group Investments Pvt. Ltd. (FTGIPL)
- 12) Financial Technologies Communications Ltd. (FTCL)
- 13) Global Payment Networks Ltd. (GPNL)
- 14) FT Knowledge Management Company Ltd. (FTKMCL)
- 15) Indian Bullion Market Association Ltd. (subsidiary of NSEL)
- 16) Trans-Global Credit & Finance Ltd. (TGCFCL)
- 17) Singapore Mercantile Exchange Clearing Corporation Pte Ltd. (SMX-CCL) (Subsidiary of SMX)
- 18) Capricorn Fin-Tech (Pvt). Ltd. (Subsidiary of FTME)
- 19) Bourse Africa Limited (BAL) (Subsidiary of FTGIPL)
- 20) Bourse India Ltd. (BIL)
- 21) ICX Platform (Pty) Limited (ICX)
- 22) Credit Market Services Ltd. (CMSL)
- 23) Takshashila Academia of Economic Research Ltd. (TAER)
- 24) Apian Finance and Investments Limited (APIAN)
- 25) Bahrain Financial Exchange BSC (C) (BFX) (Subsidiary of FTGIPL)
- 26) Financial Technologies Singapore Pte. Ltd. (FTSPPL)
- 27) FT Projects Ltd. (FTPL)
- 28) Financial Technologies Projects Private Limited (FTPPL)
- 29) BFX Clearing & Depository Corporation BSC (C) (Subsidiary of BFX)
- 30) ICX Africa Ltd. (Subsidiary of BAL)
- 31) Bourse Tanzania Ltd. (Subsidiary of BAL)
- 32) Bourse Uganda Ltd. (Subsidiary of BAL)
- 33) Bourse Africa (Kenya) Ltd. (Subsidiary of BAL)
- 34) Bourse Exchange Nigeria Ltd. (Subsidiary of BAL)
- 35) Bourse Zambia Ltd. (Subsidiary of BAL)

III. Associate Companies

- 1) Multi Commodity Exchange of India Limited (MCX)
- 2) MCX-SX Clearing Corporation Ltd. (MCX-SX CCL)
- 3) Indian Energy Exchange Ltd. (IEX)
- 4) SME Exchange of India Limited (SMEX)

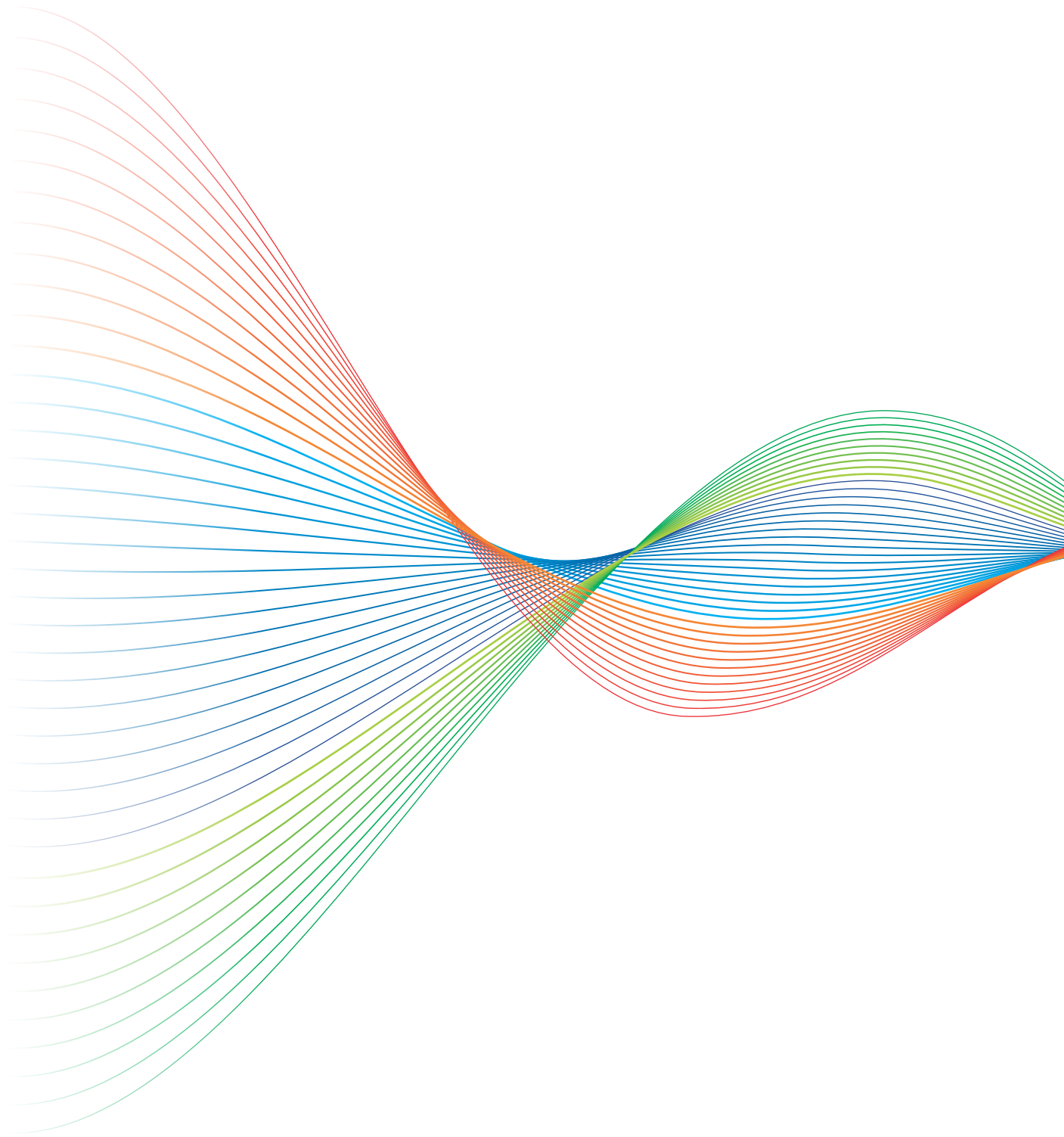
IV. Joint Venture Companies

- 1) Dubai Gold and Commodities Exchange (DGCX)

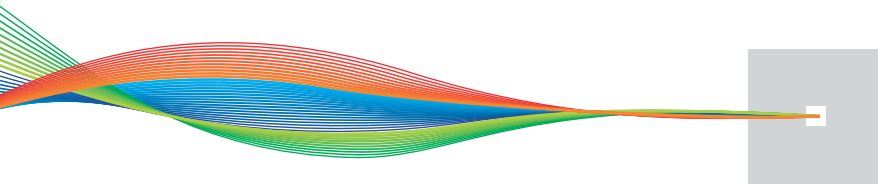
Place: Mumbai
Date: 6th August, 2012

Dewang Neralla
Whole-time Director

Chandrakant Kamdar
Director



Management Discussion & Analysis



Diverse | Unique
Experiences. | Leadership.

Management Discussion & Analysis

Global Financial Markets Review

The financial markets were lackluster through the earlier part of the year but bounced back well in the last three months of the year. The debt laden PIIGS (Portugal, the Irish Republic, Italy, Greece and Spain) suffered sovereign ratings downgrade with Spain and Italy on the brink of defaulting from their debt obligations. In UK, numerous attempts were made by the Bank of England to revive growth and ease liquidity crunch in the banking sector. The US was downgraded from "AAA" to "AA+" by Standard & Poors (S&P) following a political deadlock over raising the country's legal limit on federal government's total borrowing. The Euro and the British Pound displayed a volatile trend in 2011. Gold prices rallied above the US\$ 1,900/oz level in September 2011 before eventually ending the year 2011 near the US\$ 1,500/oz level. The global economy began 2012 in a much better shape. Investors' sentiments flourished on the hopes of an improvement in the global macroeconomic conditions after the manufacturing output in economies across the globe picked up. Market participants turned bullish as the US jobs creation in January beat economists' expectations with the unemployment rate dropping to a near three-year low of 8.3%.

Asian Financial Market Review

The markets' initial optimism was brought to a halt as the Asian financial markets witnessed concerns amid a desperate battle to avert the nuclear crisis in Japan following the 8.9-magnitude earthquake and resulting tsunami. Japan's stocks declined by 17% in 2011 while the Japanese Yen climbed to a record high as a safe haven currency. China's economic growth fell to 9.1% in Q3 of 2011 from 9.5% in the previous quarter. However, towards the end of the year, positive signs were seen. Japan's industrial production increased in December 2011 due to overseas demand driven by higher output in industries such as transport equipment and electronic parts. This data bolstered the bullish tone set by the global financial markets since the beginning of the year 2012. Talks of further monetary easing in China also supported higher yielding assets.

Indian Financial Market Review

The economic uncertainty across the global financial markets had its impact on Indian markets as well. Debt crisis in Europe saw people moving to safe haven investment options as against risky assets. India's fiscal deficit widened considerably due to increased government expenditure on account of subsidies and decreased earnings. The Current Account Deficit has also been widening due to increase in import of gold and crude oil and fragile exports due to increasing domestic

Business Overview

Your Company and its Group companies (FTIL Group) comprises three business verticals namely Technology vertical, Exchange vertical, and Ecosystem vertical. Your Company was incorporated as a provider of technology solutions for the financial markets. It has forward integrated from being a trading technology solutions provider to a creator and operator of next generation financial markets as well as complementary ecosystem ventures supporting these markets. The business model, thus created, is among the rare self-fueling growth model seen today. The technology vertical creates business for the group's exchanges, which create business for the ecosystem ventures which, in turn, need the technology solutions provided by the group. Your company has maintained its leadership position in India's growing trading technology solutions market for over a decade. Even the Group companies, most of which are pioneering initiatives, are leaders in their respective areas of operation.

consumption and weakening global economic conditions. Domestic scenario has not received much help due to RBI's stance of rising policy rates by 375 basis points between March 2010 - October 2011 to keep inflation in check. This has, in turn, created immense pressure on savings and led to overall liquidity crunch in the system. The Current Account deficit was further impacted by the weak capital inflows as investors either shied away or refrained from taking fresh positions in the market. This led to the weakening of the Indian Rupee which fell below ₹55 to a US Dollar levels. However, the RBI's stance of pausing the rate hike in its mid-quarter review of December 2011 and slashing it by 50 basis points in mid-April led the Sensex to cover some lost ground. Quick action on monetary policy easing, injecting reforms such as multi-brand retail, and fast-tracking infrastructure projects could be some moves which can infuse liquidity into the system and make markets more attractive for the global investors.

The vagaries of the global financial markets and constant flux in investor's risk appetite has increased the need for financial inclusion of the unbanked and enhanced participation in transparent and efficient financial market avenues. Your Company, with its network of exchanges across asset classes and complementing ecosystem ventures in India, is well poised to catalyze the financial inclusion process and enable channeling of savings into productive investments for economic development.

Technology Vertical

Your Company has played a key role in ensuring cost-effective reach and widening access to financial markets in India. Over the last decade, it has seamlessly connected more than 80% of India's brokerage houses to the financial markets and enabled smooth trading and easy access to financial services. Through its technology expertise and management, your Company has created exchanges catering to asset classes such as commodity, currency, and energy in India and has also promoted an exchange which will soon to launch trading in segments such as equities, interest rate futures and wholesale debt markets. Your Company's technology vertical is sub-divided into four solution suites namely Exchange solutions, Brokerage solutions, Messaging solutions and Consulting solutions.

Exchange Solutions

Your Company continues to power the exchanges of the Financial Technologies group through its technology. By doing so, your Company has demonstrated ample expertise in creating robust solutions for exchanges across asset classes and geographies. The Exchange Technology (ET) Division, has widened its repertoire to include solutions for exchanges dealing in energy. During the year, your Company's ET division deployed energy solution – PowerARMS™, (Power Automated Risk & Matching System) to enable trading, risk management and clearing & settlement for Day Ahead Market at the

Indian Energy Exchange (IEX). In order to manage growing volumes of trading data at some of the exchanges that it serves, your Company's ET division adopted eXtremeDB, from McObject®, in its Microsoft based trading platform – DOME (Distributed Order Management Engine) and other software products responsible for aggregating data from multiple sources, filtering it to support end-user requests, and enabling recognition of patterns of interest. Your Company's ET division deployed DOME and CnS (Clearing & Settlement) at Bahrain Financial Exchange (BFX) to enable efficient trading, risk management, clearing & settlement and data dissemination at the Exchange, which commenced trading in November 2011 and offers trading in cash, derivatives, structured products and Shariah-compliant financial instruments.

Brokerage Solutions

ODIN™, your company's flagship Brokerage product, continues to be the first choice of every brokerage house in India and holds a major market share in the country's electronic trading solutions space. In the current year, ODIN™'s capabilities have been enhanced to trade in new exchange segments such as NSE Currency Derivatives. Many RMS features have also been added to ODIN™ to enable efficient risk management and customized messaging delivery through various channels such as email, SMS, Online, etc. ODIN™ has been made two-factor-authentication compliant as well.

ODIN™ Program Trading, your Company's product offering in automated trading, has been significantly augmented in terms of speed, execution capabilities and execution avenues such as NSE, BSE, NCDEX, etc. For large Institutions, your Company has introduced Execution-based ALGOs, which enable better execution of large quantity orders. These ALGOs maintain anonymity, minimize market impact of price volatility, and help achieve better trade price in the market. For Propdesk Traders, your Company has launched over 30 strategies in different categories including Arbitrage-based, Technical Trading-based, Options-based and Execution-based strategies among others.

For Browser-based trading, your Company has introduced a new platform using cutting edge technology which equips the user with better User Interface and enriched look and feel. It also enables ease of operations, and offers capabilities such as advanced charting and user defined customization, which have been well appreciated by the market participants. Your Company has also launched mobile trading solution using smart phones and tablets which run on iOS, Android, Blackberry OS, etc.

Messaging Solutions

Your Company is one of the leading providers of end-to-end STP technology solutions for Institutional Investors and their related counterparts. Its intelligent messaging solutions provide a seamless STP framework and bring brokers, fund managers and custodians together through secure online connectivity on a common messaging platform.

Consulting Solutions

Your Company, through its consulting arm, the Enterprise Solutions Group (ESG), has been catering to large corporates for their varied needs such as IT governance, risk management & compliance; software testing & quality assurance; IT infrastructure and service management; IT design and implementation, etc. Through its team of techno-functional experts, qualified

professionals and able leadership, ESG has created a reputed clientele in verticals such as Banking, Financial Services, Insurance, Manufacturing, Healthcare, IT-ITeS, Government/PSU, etc. Some of the key achievements during FY 2011-12 are as follows:

- Generated business in new verticals such as Healthcare, Manufacturing and came up with new services such as Information Security Awareness training
- Achieved ISO/IEC 20000:2005 certification. Your Company is among first 50 in India and among first 600 in the world.
- Received an award for Best IT Security Implementation by an IT Services Company, by Data Security Council of India (DSCI)
- Received a contract from one of the largest PSU banks in India for comprehensive Information Systems audit of their Core Banking System environment
- Received a contract from Government of Mauritius, Ministry of Information Technology and Telecommunication for comprehensive Information Security Audit

Exchange Vertical

Your Company's Exchange ventures have consolidated their leadership position across asset classes. Your Company's commodity futures Exchange venture, MCX, is now the world's third largest commodity futures Exchange in terms of number of commodity futures contracts traded in CY 2011, as per FIA Annual Volume Survey released in March 2012. During the year, MCX also became the first Exchange in India to get listed and it continues to maintain its leadership in the Indian commodity futures market with a market share of 86%. Its average daily turnover grew 57% over last year. Your Company's other Exchanges ventures in India are leaders in their respective asset classes. IEX led the electricity markets with dominant

share of 92% in day ahead trading and 94% in REC trading. NSEL recorded average daily turnover of ₹991 crore; up by 277% as compared to the last year.

Your Company's international exchange ventures Singapore Mercantile Exchange (SMX), Global Board of Trade (GBOT) and Bahrain Financial Exchange (BFX) are already gaining prominence as important multi-asset Exchanges in their respective regions. SMX was named as the World's fastest growing Exchange by FOW 2011 Contract Review. SMX recorded 2045% growth in average daily volumes as compared with the previous year and GBOT witnessed 63% growth in average daily volumes for the same period.

Your Company and its group have together created a niche for itself in the financial markets by consolidating its position as the leader in trading technology solutions space and in creating exchanges across asset classes.

Ecosystem Vertical

On the Ecosystem front, your Company's warehousing and collateral management initiative, NBHC, tied up with two more banks to offer collateral management funding thus having a total of 37 banks on its platform. NBHC facilitated cumulative collateral management funding of over ₹247 billion in the year 2011-12. Your Company's financial market information dissemination venture TickerPlant, which is also among the leading global content providers in the financial information and market data services industry, has incorporated new functionalities in the MarketView Terminal™. These include bond calculators, curve analysis, tickwatch, screeners, pivot point reports, market breadth indicators, arbitrage watch, spread watch, etc. TickerPlant also rolled out Android and Ipad version in sync with the smart phone revolution that the country is currently witnessing.

Competitive Strengths

The global investment community seeks safer avenues: The global financial crisis of 2008 has accentuated the need of safer investment avenues. Global investment community has reaffirmed its belief in transparent and efficient price discovery and risk mitigation such as exchanges. Your Company has been creating Exchanges across asset classes in India and in the emerging economies of Africa, Asia and Middle East. Trading on these Exchanges is expected to increase in the years to come.

Unmatched expertise and enhanced learning curve: Your Company has been one of the earliest players in the trading technology domain. Almost all its ventures enjoy unparalleled market share and have dedicated revenue stream. Further, each business vertical of the Group complements each other to create a self-fueling growth model. The learning curve owing to the experience in providing trading technology solutions and also creating multi-asset exchanges stands your Company in good stead to offer customized solutions to almost all its client in the financial market domain.

Enhancing efficiency across supply chain through technology: Your Company has leveraged its technology IP to create ventures which complement its exchanges. These include initiatives which facilitate warehousing and collateral management and ensure that the value and quality of the products (especially the agro-products) remain intact and they reach the end-user at an affordable cost. The value supply chain participants such as farmers are empowered by initiatives facilitating knowledge training, real-time price information dissemination and digital transactions on mobile. Your Company's initiatives enhance awareness, enable better yield and cheaper credit as well as ensure efficient storage and value for the producers. It also bridges the supply-demand gap through its exchanges and creates a win-win situation for the producers as well as consumers. Your Company, thus, adds value across the supply chain, giving it an edge over its competitors.

Opportunities

Broadening and deepening financial markets: In a year that saw the BSE Sensex losing around 24%, the number of demat accounts grew by 5% or 800,000 between January 2011 and November 2011, according to data from Central Depository Services Ltd. and National Securities Depository Ltd. This signifies the interest in the capital markets in the country. It is, thus, essential to broaden (many people are still unbanked) and deepen (product offering can be further improved) financial markets in the country and enable affordable access to safe investment avenues. Your Company is a key contributor towards this initiative. By creating exchanges across asset classes and creating trading technologies that facilitate affordable financial market access at very good speeds, your Company stands in good stead to tap the interest of the population of India (as well as other emerging economies) in the capital markets space.

Democratizing growth opportunities in emerging economies: Your Company is creating multi-asset exchanges in emerging economies across time zones. In essence, your Company's exchanges are open for trading virtually round the clock throughout the year. Its vision has been to leverage new age technology to create cost effective access across asset classes. Your Company is realizing this vision of democratizing growth opportunities by creating financial markets in emerging economies such as Singapore, Bahrain and Mauritius and is all set to do this for the fast-growing African continent.

Product innovations and ecosystem development: Your Company has been an innovator since inception and has scaled its technology products to attune to the latest trends such as Direct Market Access, Algorithmic trading, creating apps for access to markets through smart phones etc. Your Company's exchanges are creating global firsts in product innovation. For instance, SMX launched the world's first exchange traded Black Pepper futures

contract. NSEL received the 'Futures and Options World (FOW) Award for Innovation 2011' in the category of 'Best Innovation by an Exchange in the field of product design for e-Silver. Your Company through its ecosystem ventures and strategic partnerships is also creating a network to efficiently distribute these products to the consumers.

Challenges

Policy and other macroeconomic challenges: The stagnation in policy making has left investors, especially the foreign investors, in doubt about the way ahead for the Indian financial markets and they have preferred to stay away from the markets. Thus, quick measures are required to renew the interest in the Indian economy and bolster financial market transactions. Financial market reform measures in the emerging economies will also be a great boost to the growth of your Company's Exchange ventures.

Market development: While the Indian market is growing, there is still a lot of opportunities for growth and development of the markets. Financial literacy and education will play a key role in channeling India's healthy savings into productive investment through the financial markets. In some of the emerging economies where your companies have a presence, a lot of effort needs to be put into market development activities and financial education to create awareness on the advantages of using hedging and risk mitigation avenues to enhance the bottom line and fuel growth.

Outlook

The financial planet is seeing a lot of consolidation amongst Exchanges which are merging with or acquiring other Exchanges to leverage core competencies, cross list products and increase competitive advantages.

Your Company is among the few players globally, which has been creating Greenfield exchanges and keeping in mind such trends, it will work towards creating solutions which are further scalable and can adapt to the latest financial market innovations.

Your Company endeavors to further widen its global exchange network, enable producers to enhance the worth of their produce, empower consumers with true price discovery, and democratize growth opportunities. It intends to do so by focusing on the four key pillars of product innovation, technological advancements, operation efficiencies and human capital empowerment.

Financial Position and Result of Operations

Shareholder's Equity

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

Reserves and Surplus

Your Company's total reserves and surplus position increased to ₹24,456.16 million as on 31st March, 2012 from ₹20,512.49 million as on 31st March, 2011, mainly on account of profit generated during the year.

Securities premium account as at 31st March, 2012 stood at ₹4,174.66 million, as compared to ₹4,582.46 million in the previous year, adjusted on account of the provision of ₹407.80 million (net of taxes) for premium payable on redemption of ZCCBs, in accordance with Section 78 of the Companies Act, 1956.

The Company has transferred ₹526.00 million to General Reserve out of the amount available for appropriations and an amount of ₹17,951.35 million is proposed to be retained in Profit and Loss Account. Post transfer, aggregate general reserve of the Company stood at ₹2,316.02 million

Shareholders' Funds

Total shareholder funds increased to ₹24,548.31 million as on 31st March, 2012 as against ₹20,604.64 million as on 31st March, 2011.

Loan Funds

During the year, the Company has repaid outstanding Zero Coupon Convertible Bonds (ZCCBs) aggregating to USD 133.16 million (including premium on redemption, net of withholding tax thereon), equivalent to ₹7,051.91 million on the due date of payment.

During the year, the Company has availed External commercial borrowings (ECB) aggregating to USD 110.00 million (equivalent to ₹5,627.22 million as at 31st March, 2012) partly for investments in overseas wholly owned subsidiary companies and partly to repay the Zero Coupon Convertible Bonds.

Deferred Tax Liability

During the year, your Company has reported accrual of total net deferred tax liability of ₹137.33 million, compared to ₹120.15 million in the previous year. Deferred tax assets and liabilities are recognized for future tax consequence attributable to timing difference between taxable income and accounting income that are capable of reversing in one or more subsequent periods and are measured at substantively enacted tax rates.

Trade Payable

At the end of the year trade payables stood at ₹290.00 million, as compared to ₹200.56 million at the end of previous year.

Other Liabilities (current + non-current)

Other liabilities at the end of the year amounted to ₹1,664.70 million, as against of ₹4,704.83 million at the end of previous year. Other liability as at the end of previous year included current maturity of ZCCB liability of ₹4,040.83 million.

Provisions (short term + long term)

Total provisions as at the end of the year decreased to ₹299.95 million, as against of ₹1,980.67 million at the end of the previous year mainly on account of payment of premium on ZCCBs during the year.

Investments (current + non-current)

The total investments as at 31st March, 2012 were at ₹17,380.38 million, as compared to ₹18,504.38 million as at 31st March, 2011. The total investment mainly comprised of investment in mutual funds, subsidiaries, joint venture and associate companies. The reduction in investments was mainly on account of reduction in capital by two of its subsidiaries viz. atom Technologies Ltd. and TickerPlant Ltd., as approved by the Hon'ble High Court, Bombay. The Company, as a part of its core business strategy, promotes and invests in new ventures that utilise its technological capabilities and domain expertise towards creating world class enterprises. The investment in each such venture is assessed for its risks and is limited to a pre-determined level and will generate returns after the ventures start ramping-up operations in varied time frame depending upon the line of business. The Company, as part of its non-linear business model, will endeavor to unlock value by broadening the investor base of its ventures.

Fixed Assets

As on March 31,	<i>(in ₹ million)</i>	
	2012	2011
Freehold Land	466.66	466.66
Leasehold Land	81.70	68.68
Buildings	2912.08	2504.70
Improvement to Leasehold Premises	43.14	43.13
Office Equipments	463.03	251.15

contd.

contd.

(in ₹ million)

As on March 31,	2012	2011
Computer Hardware	203.17	193.73
Furniture and Fixtures	481.10	348.28
Vehicles	45.32	29.62
Intangible assets including Software, Technical know-how etc.	369.08	178.51
Gross Block	5065.28	4084.46
Less: Accumulated Depreciation/ Amortisation	367.95	215.75
Net Block	4697.33	3868.71
Capital work in progress (excluding capital advances)	7.91	202.09
Total Fixed Assets	4705.24	4070.80

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

During the year, the net additions to fixed assets (including amount in capital work in progress) were at ₹786.64 million.

Trade Receivables

As at the end of year, trade receivables (net of provision) were at ₹362.89 million, as compared to ₹318.73 million at the end of the previous year.

Loans & Advances (current + non-current)

At the end of the year, Loans and advances (current+non-current) (net of provision) amounted to ₹5,404.97 million as against ₹3,053.52 million at the end of previous year. Increase is mainly due to loans and advances to subsidiary companies and advance payment of income taxes.

Cash & Cash Equivalents

At the end of the year cash & cash equivalent stood at ₹3,990.08 million as compared to ₹1,475.61 million at the end of the previous year. At the end of the year, amount kept in deposits and foreign currency account (EEFC) was at ₹3613.7 million.

Other Assets (current and non-current)

At the end of the year, other assets amounted to ₹723.94 million as against ₹187.80 million at the end of the previous year. It included an amount of ₹422.45 million on account of the amount held in foreign currency monetary items difference account which is be amortised over a life of respective foreign currency borrowings (ECB).

Revenue Analysis

During the year, revenue from operations stood at ₹4,255.48 million, compared to ₹3,576.85 million in the previous year, an increase of 18.97%. Your Company mainly derived revenues from sale of IPR licenses, annual maintenance charges and project-based services, including software customization.

Other Income

During the year, other income stood at ₹3,688.59 million, compared to ₹1,420.66 million in the previous year. Other Income included dividend from investments, interest on deposits and investments, profit on sale of investments, rental income, foreign exchange gains and miscellaneous income. During the year, the Company had offered part of its investments under "offer for sale," in initial public offer of equity by Multi Commodity Exchange of India Limited (MCX), and the resultant profit of ₹2,498.21 million is included under Profit on sale of investments.

Expense Review

During the year, the operating and other expenses (excluding provision for other than temporary diminution in value of long term investment and Loss on sale/redemption/reduction in shares in subsidiary companies) were at ₹1,783.9 million, as compared to ₹1,949.7 million in the previous year.

During the year, in accordance with the sanctioned Scheme of capital reduction by the Hon'ble High Court, two of its subsidiaries have reduced their share capital and adjusted against their accumulated losses. Accordingly, net resultant loss of ₹388.24 million (net of reversal of provision for other than temporary diminution) was charged to the profit and loss for the year.

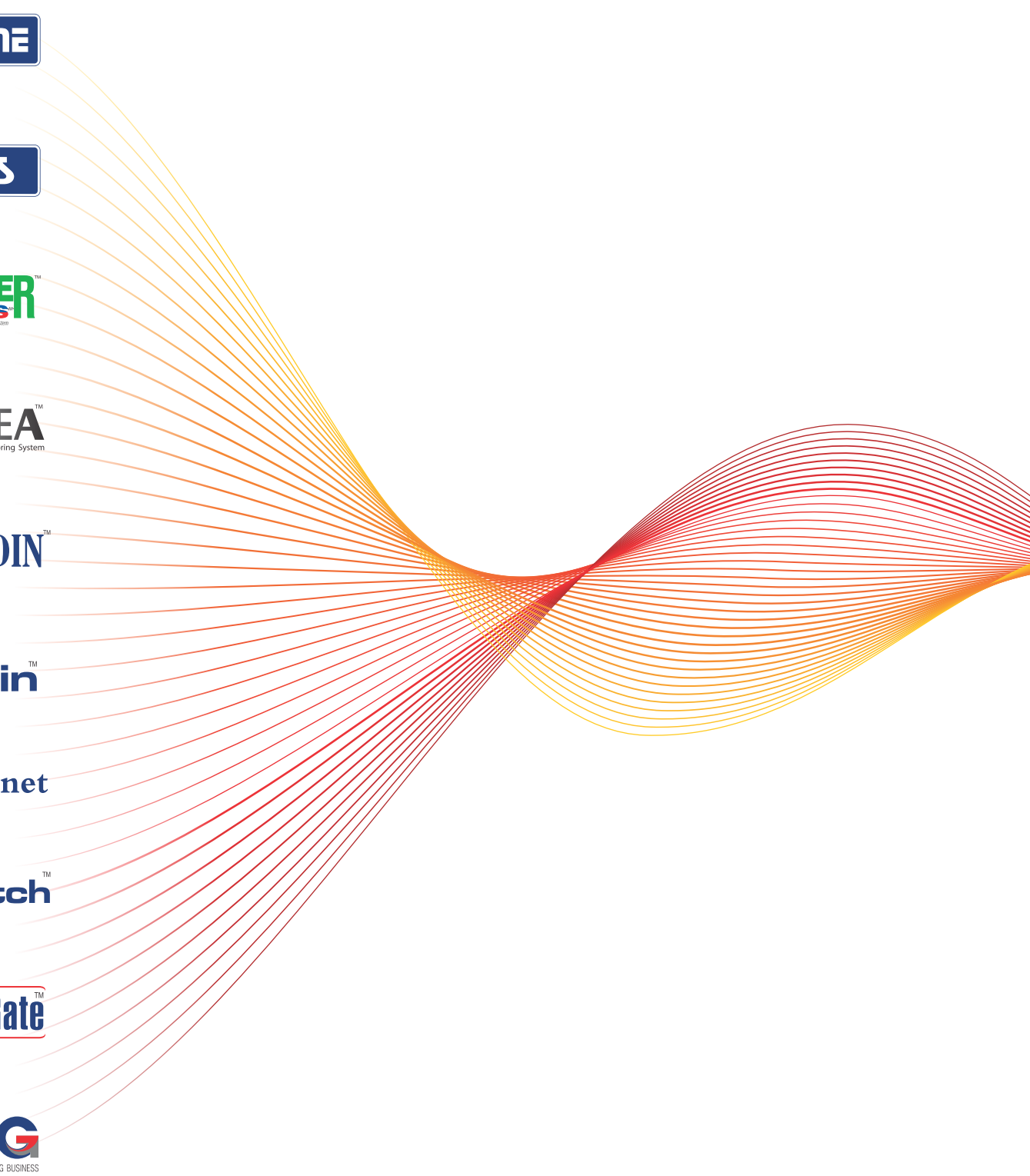
During the year finance cost was at ₹304.42 million, as compared to ₹7.03 million. The increase in finance cost was due to costs in respect of foreign currency loans viz. External Commercial Borrowings (ECB) raised during the year.

Profit

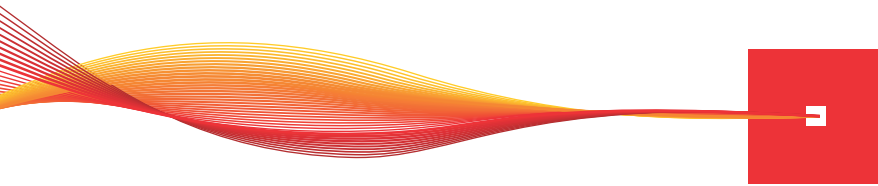
During the year,

- Profit before finance cost, depreciation, exceptional item and tax was ₹5,771.97 million, compared to ₹2,726.79 million in the previous year.
- Profit before tax and exceptional items was ₹5,294.53 million, compared to ₹2,608.86 million in the previous year.
- Profit after tax was ₹4,780.29 million, compared to ₹919.35 million in the previous year.

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



Technology Vertical



Diverse | Unique
Technologies. | Experience.

Features	URL
A multi-asset and multi-currency exchange trading solution covering all stages of a trade lifecycle.	www.ftindia.com/dome
A multi-asset and multi-currency clearing and settlement system for commodity, equity, energy, fixed income and currency markets.	www.ftindia.com/cns
A state-of-the-art online matching and dealing platform for inter-bank foreign exchange trading that facilitates real-time, anonymous deal matching for Spot USD/INR trades between banks in India.	www.ftindia.com/fixdirect
An agile system that enables surveillance on trading activities for exchanges or regulators and business monitoring for market makers.	www.ftindia.com/fovea
A pro-active, real time solution that provides advanced analytics and quantification of Value at Risk (VaR) based on the combination defined in CME-SPAN® and thumb rule.	www.ftindia.com/riskmanagement
A web-based trading platform empowering various industries or sectors to create auction, continuous, OTC or innovative market places.	www.ftindia.com/tradedart
A low latency, real time, high throughput application with complete market depth dissemination to meet the growing demands of exchanges worldwide.	www.ftindia.com/marketxstream
A state-of-the-art system that integrates technology and security to maintain and transact different types of assets in electronic form.	www.ftindia.com/dmats
An ideal electronic trading, clearing & settlement and risk management platform for the Energy Market.	www.ftindia.com/powerarms
A customized, flexible solution for computation of power scheduling & various charges. It empowers work flow management from portfolio request for transmission capacity utilization to allocation and charges computation.	www.ftindia.com/tso
Multi-asset registry solution which facilitates creation, registration, transfer and surrender of assets including RECs, carbon certificates and precious metals.	www.ftindia.com/registry
A sub-division of Exchange Technology that empowers the exchanges with customized development and seamless deployment as per specific business needs.	www.ftindia.com/ecs

Brokerage Solution

Product	Markets				
	Commodity		Equity		Forex
	Derivatives	Spot	Derivatives	Spot	Derivatives
Front Office					
ODIN™ :	✓	✓	✓	✓	✓
ODIN™ IOB :	✓	✓	✓	✓	✓
ODIN™ Diet :	✓	✓	✓	✓	✓
NeT.net :	✓	✓	✓	✓	✓
iWin :	✓	✓	✓	✓	✓
DMA Live! :	—	—	✓	✓	✓
ODIN™ Program Trading :	✓	—	✓	✓	✓
ODIN™ Greek Neutralizer :	—	—	✓	✓	✓
ODIN™ Advanced Charting :	✓	—	✓	✓	✓
ODIN™ Atlas :	✓	—	✓	✓	✓
Middle Office					
Protector :	✓	✓	✓	✓	✓
Back Office					
e-Hastakshar™ :	✓	✓	✓	✓	✓
MATCH™* :	✓	✓	✓	✓	✓
MATCH™ Int** :	✓	—	✓	✓	✓

Connectivity Solutions

FTNET :	—	—	✓	✓	✓
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Messaging Solutions

STP-Gate™ :	—	—	✓	✓	—
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Consulting Solutions

ESG :	IT Consultancy	Process Consultancy	Quality Assurance	Facility Management
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*MATCH™ supported exchanges are BSE, NSE, MCX, NCDEX, MCX-SX, USE

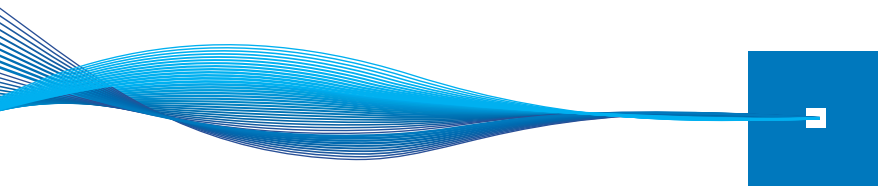
**MATCH™ Int supported exchanges are DFM (Dubai), DGCX (Dubai), Tadawul Stock Exchange (Saudi Arabia), ADX (Abu Dhabi)

Features	URL
A multi-exchange, multi-segment, multi-asset front-end trading application with many valuable functionalities for dealers and a comprehensive risk management system which enables trading on multiple markets with ease.	www.ftindia.com/odin
The advanced front-end trading application for sales traders and dealers to execute and manage larger institutional orders such as one touch, care, DMA and ALGO orders for their FII and DFI clients.	www.ftindia.com/odiniob
A multi-exchange, multi-segment, multi-asset front-end trading application for end clients which facilitates higher accessibility and availability through very low internet bandwidth.	www.ftindia.com/odindiet
An online browser-based multi-exchange, multi-segment, multi-asset trading application using cutting-edge technology catering to diverse financial market users and retail-end clients.	www.ftindia.com/netnet
A multi-market mobile trading application that facilitates end clients to stay connected to markets on a real-time basis using phones, smart phones (iPhone, Samsung, BlackBerry, etc) and tablets (iPad, Samsung Galaxy Tab etc).	www.ftindia.com/iwin
The direct market access services suite offers to buy-side as well as sell-side clients to improve their efficiency, reduce market impact, maintain anonymity of clients, ease of operations among others.	www.ftindia.com/dmalive
An automated trading system that provides a comprehensive list of in-built strategies (Technical Analysis based, Options based and IV based strategies) which allows users to leverage arbitrage opportunities.	www.ftindia.com/odinpt
A solution that facilitates Real-Time Greek values and allows users to neutralize the Delta, Gamma and Vega for traded portfolio effectively. It enables Option Traders to continuously estimate the risk in overall traded positions.	www.ftindia.com/greekneutralizer
A advanced charting solution in ODIN™ TWS, ODIN™ Diet and Net.net that allows users to harness the potential of charts, time the markets better, tap profit-making opportunities and back-test customized strategies.	www.ftindia.com/advancedcharting
A semi-automated special trading application which allows jobbers to efficiently execute orders at lightning speed across market segments and traders to program execution to capture a favorable price movement effectively.	www.ftindia.com/odinatlant
An online post-trade, pre-acceptance risk management solution that enables members to mitigate risks of branch, dealer and end-clients' level in equity, exchange-traded currencies and commodity segments.	www.ftindia.com/protector
A unique document signing solution that enables seamless and secured flow of information in electronic form using digital certificates.	www.ftindia.com/eastakshar
A multi-user, multi-exchange, multi-asset, multi-branch integrated back office accounting, inventory and settlement system, addressing the needs of exchange-traded back office operations of retail and institutional broking houses.	www.ftindia.com/match
A multi-user, multi-exchange, multi-asset, multi-branch, multi-currency integrated back office accounting, inventory and settlement system, catering to exchange-traded back office processing needs of multiple countries.	www.ftindia.com/match
A fully-managed FIX compliant global network that offers reliable access to major liquidity sources across multiple asset classes to increase operational efficiency and reduce human intervention.	www.ftindia.com/ftnet
A robust, secure, straight-through-transaction processing platform enabling online interface between fund houses, custodians, trading members. Based on ISO 15022, it offers messaging solutions for equity and derivatives segment.	www.ftindia.com/stpgate
An advisory and knowledge imparting initiative set up to add value to clients' businesses across industry verticals, empower them with a technological edge and enable maximization of returns on an organization's IT investments.	www.ftindia.com/esg

Exchange Vertical

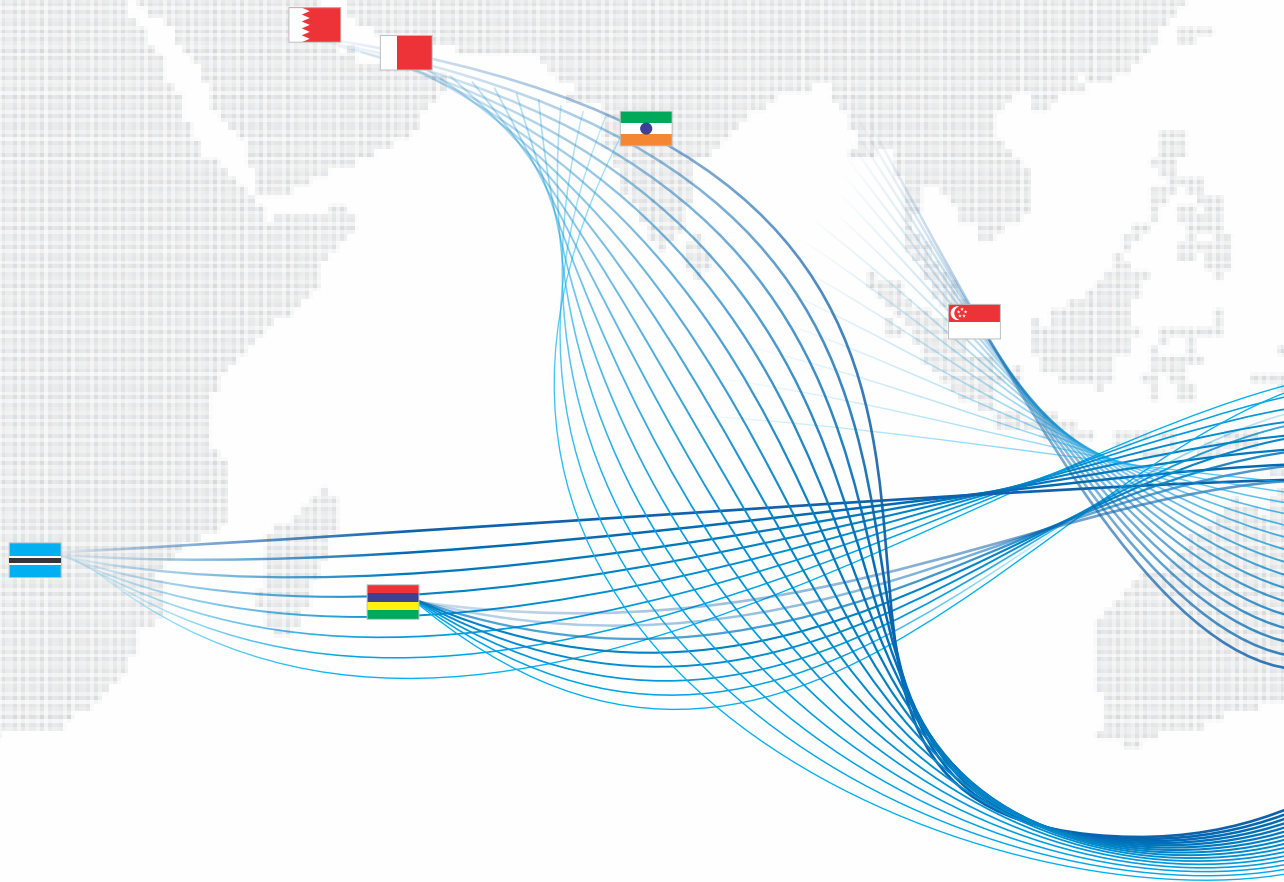


Exchange Vertical



Diverse | Unique
Markets. | Empowerment.

Exchange Vertical



Your Company operates a network of 9 Exchanges connecting fast growing economies of Africa, Middle East and South-East Asia as well as India. The Exchange ventures have consolidated their leadership position across asset classes such as commodities futures and spot, energy and currency derivatives and is poised to commence trading in equities, interest rate futures and wholesale debt markets. The international Exchange ventures Singapore Mercantile Exchange (SMX), Global Board of Trade (GBOT) and Bahrain Financial Exchange (BFX) are gaining prominence as important multi-asset Exchanges in their respective regions. Your Company's newest Exchange venture, Bourse Africa, based on a hub and spoke model, is set to commence operations. It will be Africa's first commodity spot and multi-asset derivatives Exchange, equipped with a central counterparty (CCP) clearing house and depository platform.

		India's leading commodity futures Exchange and 3 rd largest globally in terms of futures contracts traded
		India's No. 1 Commodity Spot Exchange with a commanding 99% market share in the electronic spot market segment
		India's first & No. 1 power Exchange with 92% market share in electricity & REC volumes
		Trans-Asian multi-commodity and multi-currency derivatives Exchange in Singapore catering multiple time zones
		Based in Bahrain, the Exchange offers trading in cash, derivatives and Shariah-compliant financial instruments
		1 st International multi-asset and multi-currency Exchange from Mauritius, also providing trading in African currency pairs
		Spot and derivatives Exchange based on the hub and spoke model hosted in Botswana
		1 st International commodity and currency derivatives Exchange in the Middle-East
		Provider of 'FXDirect' a digital trading platform for the inter-bank foreign exchange market in India



Multi Commodity Exchange of India Ltd. (MCX)

www.mcxindia.com

Business Overview

- MCX is a state-of-the-art electronic commodity futures Exchange. The demutualised Exchange set up by Financial Technologies (India) Ltd. (FTIL) has permanent recognition from the Government of India to facilitate nationwide online trading, clearing and settlement of commodities futures transactions.
- The Exchange operates within the regulatory framework of the Forward Contracts Regulation Act, 1952 (FCRA, 1952) and regulations there under.
- MCX is a leading commodity Exchange in India with 86% market share in FY 2011-12. The average daily turnover of the Exchange during FY 2011-12 was ₹503.13 billion, which represents a Y-o-Y increase of 57%.

Products & Services

MCX offers trading in over 40 futures contracts from various market segments such as bullion, energy, ferrous and non-ferrous metals, oils and oil seeds, cereals, pulses, plantations, spices and fibers.

International Alliances

- New York Mercantile Exchange (NYMEX)
- Shanghai Futures Exchange
- London Metal Exchange
- The Baltic Exchange
- CME Group
- LIFFE Administrative and Management, UK
- Taiwan Futures Exchange

Domestic Alliances

- Bombay Metal Exchange
- Ore Team
- Solvent Extractors Association of India
- Weather Risk Management Services
- Dall & Besan Millers Association
- Ekgaoon Technologies

Awards & Recognition

Conferred "Best Commodity Exchange of the Year" award at the India International Gold Convention 2011

Certification

The Exchange underwent a surveillance audit to retain its ISO 9001:2008 certificate. It was also recertified to ISO 27001:2005 & ISO 14001:2004.

Key Milestones during FY 2011-12

- On 9th March, 2012, MCX became India's first listed Exchange with its initial public offering (IPO) being 45 times oversubscribed. Highest IPO grade of "5/5" was assigned to the IPO by Crisil.
- 3rd largest commodity futures Exchange globally*
- In terms of number of contracts traded, MCX was[#]
 - largest in Silver and Gold
 - 2nd largest in Natural Gas
 - 3rd largest in Crude Oil.
- Recorded its highest daily turnover since inception of ₹1,116.66 billion
- Launched copper mini, nickel mini and cotton futures contracts
- Launched Gold Petal (1 gram gold futures) - Mumbai based and New Delhi contracts
- Signed an MoU with the All India Glass Manufacturer's Federation

**In terms of number of commodity futures contracts traded in CY 2011*

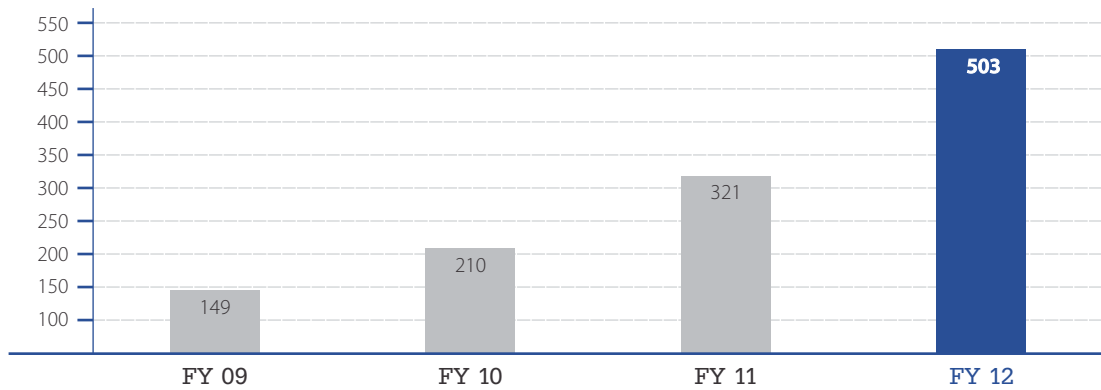
**#Source: Data from websites of exchanges and FIA Annual Volume Survey released in March 2012*

Operational Matrix

	FY 09	FY 10	FY 11	FY 12
Number of Members (End of year)	2,037	2,070	2,119	2,170
Number of TWS* and TWS under CTCL	82,703	117,124	1,94,400	3,46,610

*Trader Work Station

Average Daily Turnover (in ₹ billion)





National Spot Exchange Ltd. (NSEL)

www.nationalspotexchange.com

Business Overview

- **Market leader:** India's No. 1 commodity spot exchange, commanding more than 99% share in the electronic spot market segment.
- **Regulation:** Forward Markets Commission (FMC) is the designated agency and all spot exchanges in India are under its purview.
- **Membership:** Over 711 registered members (as on 31st March, 2012).
- **e-Series:** Introduced India's first commodity investment product in demat form called e-Series. These products can be bought, sold and held in demat form with the option of getting physical delivery at various locations across the country. At the end of financial year 2011-12, there were six products under the e-Series umbrella.

Products & Services

- Operational in 50 commodities with 127 delivery centres
- Added zinc, red chilly, cardamom, crude soybean oil, raw wool, soybean doc, wool top, mustard oil, ref soybean oil and ref sunflower oil in financial year 2011-12.
- In e-Series, e-Nickel was introduced in the financial year 2011-12. Other products in this category are e-Gold, e-Silver, e-Copper, e-Zinc, e-Lead, e-Nickel and e-Platinum.

Key milestones in FY 2011-12

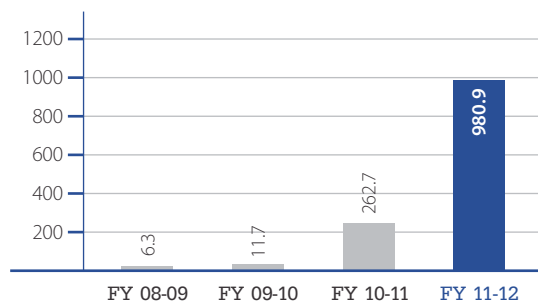
- Recorded 277% increase in turnover against last financial year. Turnover touched ₹3.04 lakh crore or ₹3040 billion in this fiscal.
- Empanelled 174 Depository Participants (DPs) to provide pan-India demat services to retail investors for e-Series products.
- Launched 'e-Nickel' under 'e-Series'.
- All e-Series products - e-Gold, e-Silver, e-Copper, e-Zinc, e-Lead and e-Nickel -are certified by TASIS (Taqwaa Advisory and Shariah Investment Solutions (P) Ltd., Mumbai) as Shariah-compliant products.

Operational Matrix (Last three years)

	FY 09-10	FY 10-11	FY 11-12
Highest Turnover Reported (₹ cr)	452.75 (2-May-09)	1843.10 (4-Feb-11)	2697.30 (30-Mar-12)
Number of Members (End of year)	320	516	711
Products/Commodities offered	24	36	50

(1cr = 10 million)

Average Daily Turnover (in ₹cr)

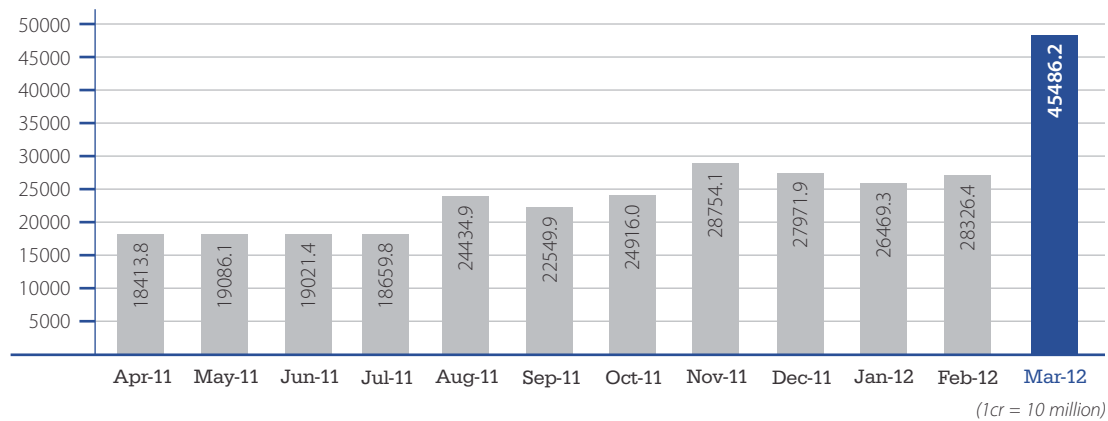


(1cr = 10 million)

Certification, Awards & Recognition

- 'Futures and Options World (FOW) Award for Innovation 2011' in the category of 'Best Innovation by an Exchange in the field of product design' for 'e-Silver'. NSEL's Spot Exchange platform had also won the 'FOW Awards 2010' in a different category.
- 'Golden Peacock Innovative Product/Services Award' in commodity Exchange segment in January 2012. 'e-Series' was declared as the 'most innovative product from commodity exchange', determined by the satisfaction of investors for long-term unexpressed and unarticulated needs.
- Shariah certification: e-Zinc, e-Lead and e-Nickel products under e-Series were certified as Shariah-compliant by TASI.
- Conferred the SKOCH Digital Inclusion Award 2011: Technology in Financial Inclusion

Monthly Turnover (in ₹cr)





India Energy Exchange Ltd. (IEX)

www.iexindia.com

Business Overview

- India's first & No. 1 Power Exchange with 92% Market Share*
- Established with the objective of developing a marketplace for power trading in India
- A transparent and efficient platform for trading in Electricity and Renewable Energy Certificates thus bringing down the demand-supply gap between buyers and sellers of power
- Emerged as India's preferred trading platform with nationwide reach covering 90 Members & over 1500 clients registered as on 31st March, 2012 (over 350 private power generators and over 1000 direct consumers)

*For Electricity & REC volumes of FY 2011-12

Products & Services

• ELECTRICITY MARKET

Spot Market

- Intraday I For the same day (last 6 Hours) | Continuous Trading
- Day-Ahead Market | Hourly for Next Day | Double sided Closed Auction
- Day-ahead Contingency Market | Hourly for Next day | Continuous Trading

Forward Market

- Daily I for rolling seven days (starting after 4 days) | Continuous Trading
- Weekly I for Next 2 weeks | Double sided Open Auction

• RENEWABLE ENERGY CERTIFICATES (REC)

- Solar REC
- Non-solar REC

• ENERGY EFFICIENCY CERTIFICATES

(to be launched soon)

Key Milestones During FY 2011-12

- Introduced new trading software for Day-Ahead Market: PowerARMS™
- Highest ever traded volume in Electricity Market in a year - over 13 billion units (kWh)
- Highest ever market share in electricity segment in India-92%

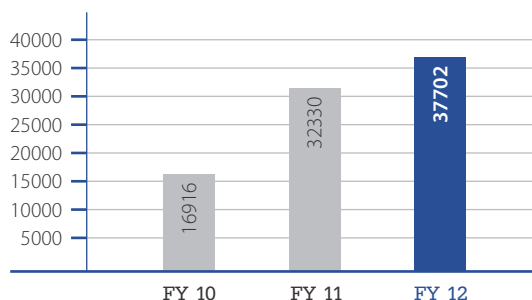
- REC market share 94%
- IEX participation crossed 1600 (Electricity & REC)
- Highest number of successful portfolios traded (755) on a single day (13th January, 2012).

Operational Matrix (Last three years)

	FY 09-10	FY 10-11	FY 11-12
Highest turnover reported in DAM (Mwh)	31,429	59,976	58,324*
No. of Members at the end of year (Electricity & REC)	78	78	90
No. of products offered	5	7	7

*On 16th September 2011

Average Daily Turnover Volume (Mwh)





Singapore Mercantile Exchange Pte. Ltd. (SMX)

www.smx.com.sg

Business Overview

The Singapore Mercantile Exchange (SMX) is the first pan-Asian multi-product commodity and currency derivatives exchange. Situated in Singapore, SMX offers a comprehensive platform for trading a diversified basket of commodities including futures and options contracts on precious metals, base metals, agriculture commodities, energy, currencies and commodity indices.

With a vision of a new generation derivatives exchange befitting an ever-evolving marketplace,

SMX has launched a single, smart and reliable platform for both international and regional entities to trade a diverse range of multi-asset class products. Through cutting edge electronic systems for trading futures and options, SMX is synchronizing derivatives and physical trading in commodities within the Asian time zone while continuously listing new products for more effective risk management during Asian trading hours.

Products & Services

SMX offers a diversified basket of products including futures and options contracts on the following:

Precious Metals	: Gold, Silver
Base Metals	: Copper
Energy	: WTI, Brent Crude
Currency Pairs	: EUR/USD, USD/JPY, AUD/USD, GBP/USD, EUR/USD
Indices	: Iron Ore (MBIO) Index Futures
Agri Product	: Black Pepper

Key Milestones During FY 2011-12

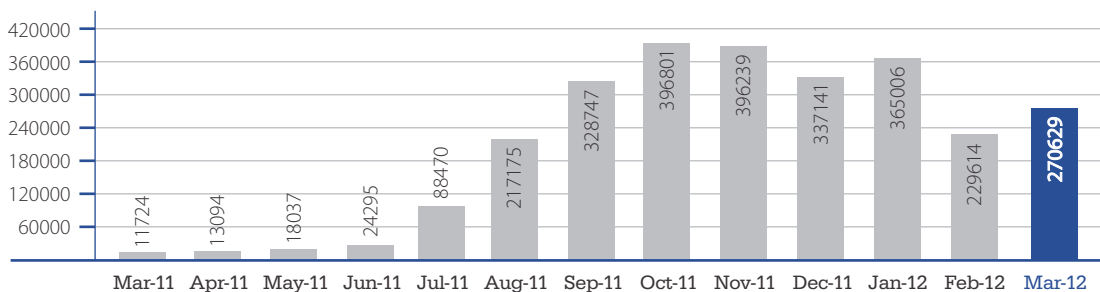
- SMX named as world's fastest growing Exchange by FOW 2011 Contract Review
- Launched agriculture commodity products with the world's first global black pepper futures contracts

- Launched index products with iron ore index contracts and base metal commodity products with copper contracts

Institutional Alliances/Membership/Associations

- AFM (Association of Futures Markets)
- FIA (Futures Industry Association)
- FIA Asia (Futures Industry Association Asia)
- SFOA (Swiss Futures and Options Association)
- BCEC (Buon Ma Thuot Coffee Exchange Center)
- ICDX (Indonesia Commodity & Derivatives Exchange)
- TOCOM (Tokyo Commodity Exchange)
- TAIFEX (Taiwan Futures Exchange)
- OTA (Online Trading Academy)

Average Daily Turnover value (in USD million)





Bahrain Financial Exchange BSC (C) (BFX)

www.bfx.bh

Business Overview

- The Bahrain Financial Exchange (BFX) is a pioneering international financial exchange based in the Kingdom of Bahrain and internationally accessible to trade cash, derivatives, structured products and Shariah-compliant financial instruments.
- The BFX provides clearing, settlement, depository and risk management activities through its clearing corporation, the BFX Clearing & Depository Corporation (BCDC), which provides settlement guarantees for all transactions executed on the Exchange platform, eliminating counterparty risk and providing a high degree of security and confidence to market participants.
- The BFX trading platform is directly accessible by BFX members by using order routing technology. Access is provided via BFX terminals in members' offices, independent software vendors or directly from the Exchange's electronic trading floor.
- The BFX launched its conventional trading segment in November 2011 comprising of derivatives products across various asset classes such as commodities, energy as well as the currency segment. The platform shall further be introducing cash and derivatives products across other asset classes including equities, fixed income, exchange traded funds, and structured products.
- The BFX launched its Islamic finance division with the establishment of Bait Al Bursa in February 2011, marking the creation of the region's first exchange-operated platform dedicated to Islamic finance products. e-Tayseer is the first Islamic product to be offered by Bait Al Bursa dedicated to Murabaha liquidity management transactions.

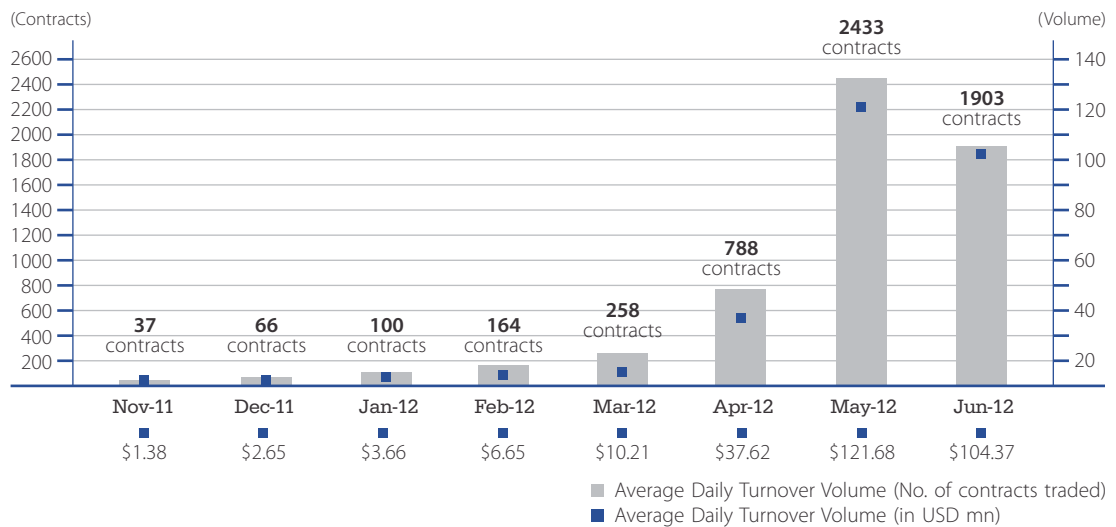
Products & Services

- The BFX offers financial instruments across a wide range of asset classes in conventional products specific to the region along with Islamic finance products.
- The Exchange offers two separate platforms (conventional and Shariah compliant) to meet participants' needs to trade on one or both of these markets.
- The trading platform enables market participants the ability to trade multiple asset classes on one market. The asset classes shall be made available for trading cash, derivatives or Shariah-compliant financial instruments.
- The BFX Futures on the US dollar versus the Indian Rupee (USD-INR), Gold, Euro versus the US dollar (EUR-USD) and Natural Gas are available for trading, with other products including options contracts in the pipeline.

Key Milestones During FY 2011-12

- The BFX launched the conventional markets division in November 2011.
- The BFX completes the first 6 months of trading; a cumulative volume of USD 3.68 billion.
- The BFX wins the 'Most Innovative Forex Product Award 2012' at the 7th Jordan Forex Expo & Award (JFEX) 2012.
- The BFX participated in the 1st Annual Middle East Islamic Finance & Investment Conference (MEIFIC 2011) in Dubai, UAE.
- The BFX successfully completes its 2012 corporate social responsibility (CSR) program, which involved a series of educational workshops titled "Understanding the Financial Derivatives Markets from Theory to Practice" for university students in the Kingdom of Bahrain.
- The BFX becomes a member of the Bahrain Association of Banks (BAB).

Average Daily Trading Turnover and Volume



The average daily trading turnover increased from US\$ 1.38 million (Nov 2011) to US\$ 121.68 million (May 2012). The average daily trading volume increased to 2,433 contracts in May 2012.

Institutional Alliances/Membership/Associations

- Bahrain Association of Banks (BAB)
- International Islamic Financial Market (IIFM)
- Association of Finance Professionals (AFP)
- Chartered Institute for Securities & Investments (CISI)
- Institute of Credit Management (ICM)
- Institute of Internal Auditors (IIA)



Global Board of Trade Ltd. (GBOT)

www.gbot.mu

Business Overview

- Global multi-asset class exchange based in Mauritius; licensed and regulated by Financial Services Commission, Mauritius
- GBOT is attracting international trading and investing community into the African markets through development of 'Africa-centric' multi-asset products and creation of an efficient trading and risk mitigation avenue
- GBOT will provide content and substance for reputed global firms operating in investment banking, brokerages, capital market research etc. to set-up their business in Mauritius and Africa

Products & Services

- Commodity Futures: Gold, Silver and WTI
- Currency Futures: EUR/USD, GBP/USD, JPY/USD, ZAR/USD, USD/MUR
- Equities, Equity derivatives, CFDs in single stocks, indices, commodities and currencies

Institutional Alliances

Metaquotes, Lahore Stock Exchange, Pakistan Mercantile Exchange, Enterprise Mauritius, AHRIM: Association des Hôteliers et Restaurateurs de l'île Maurice, WESGRO: Western Cape destination marketing, investment & trade promotion agency - South Africa

Key Milestones During FY 2011-12

- Successfully certified MetaTrader 5 Trading Platform developed by MetaQuotes Software Corp (MetaQuotes) and granted them ISV status
- Introduced delivery based USD/MUR contract and trading on cash settled WTI futures
- GBOT conducted over 25 "financial risk management" workshops under GBOT EDGE, a financial market education initiative, launched by Rundheersing Bhehnick, Governor, Bank of Mauritius.

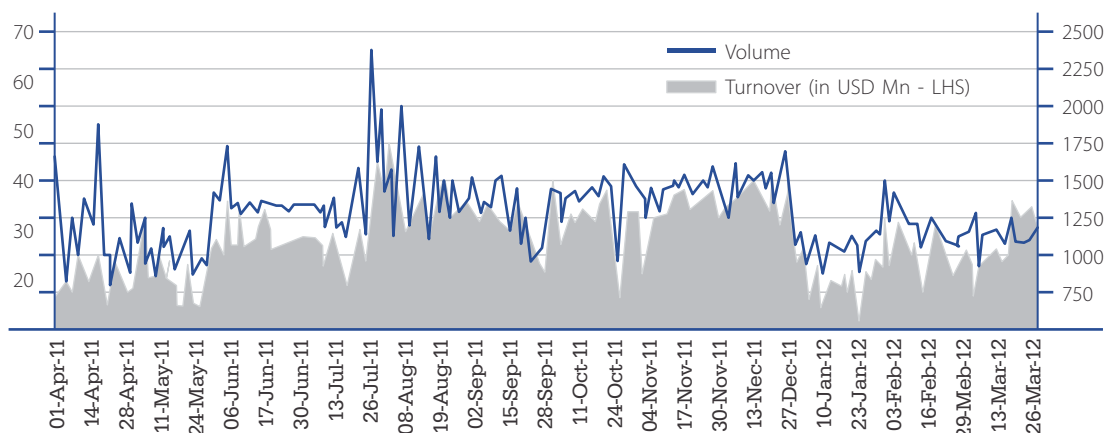
Membership

Association of Futures Market, Defra EU Emissions Trading Scheme (EU ETS), Futures and Options Association, Mauritius Chamber of Commerce and Industries, South Asian Federation of Exchanges, World Federation of Exchanges

Certification, Awards & Recognition

GBOT conferred MarCom Award by US based AMCP for its online initiative www.gbotmarkets.com and E-newsletter

Transaction Volumes/Value





Bourse Africa Ltd.

www.bourseafrica.com

Business Overview

- Bourse Africa is a licensed spot and derivatives demutualised exchange which will offer multi-asset class trading to serve markets worldwide from Africa. It will provide efficient price discovery, and facilitate trade, financing, risk management and investment transactions between participants from across African markets, and between African and international participants.
- Bourse Africa will operate on a hub and spoke model, a network of linked exchanges with Botswana as the technology and regulatory hub. The hub exchange in Botswana is licensed as a Self-Regulatory Organisation by the country's Non-Bank Financial Institutions Regulatory Authority and accredited under the Botswana International Financial Services Centre.

Products & Services

Bourse Africa will offer both derivative and spot contracts and introduce options and index trading later. Segments will include agriculture, metals, minerals, energy and currencies before diversifying into other asset classes over time. The suite of derivative products will cover pan-African commodities with an established international profile - including cocoa, cotton, crude oil, gold and maize, gold-as well as futures on currency pairs between African currencies, and between African and hard currencies. The spot platform will focus on the unique commodities produced and traded in the different African countries - to support the domestic trade and the export/import trade.

Key Milestones During FY 2011-12

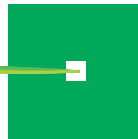
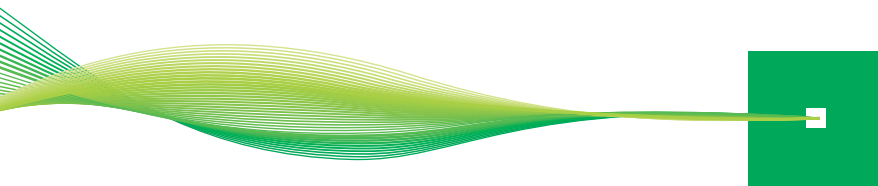
- Licensed as a Self-Regulatory Organisation (pending ministerial signature)
- Tie-up with third clearing bank
- Partnerships with five certification and collateral management organisations

Value Proposition

- An emerging geography almost completely untapped at present:
 - 53 countries, 4%-5% p.a. growth, emerging middle class, \$320 billion annual commodity base, rapidly integrating with global markets
 - No organised commodity futures exchange and no central counterparty clearinghouse (CCP) outside South Africa a significantly underdeveloped exchange, brokerage and investment space
- Combined spot and derivative platforms
- Optimal hedging location
- Sound legal jurisdiction and regulatory framework of Botswana
- A CCP backed by Settlement Guarantee Fund, to guarantee trades, and fulfilment of all obligations arising therefrom
- Integrated ecosystem elements (e.g. warehouse receipts system (WRS), market information system (MIS), broker technology solutions, capacity-building Academy)

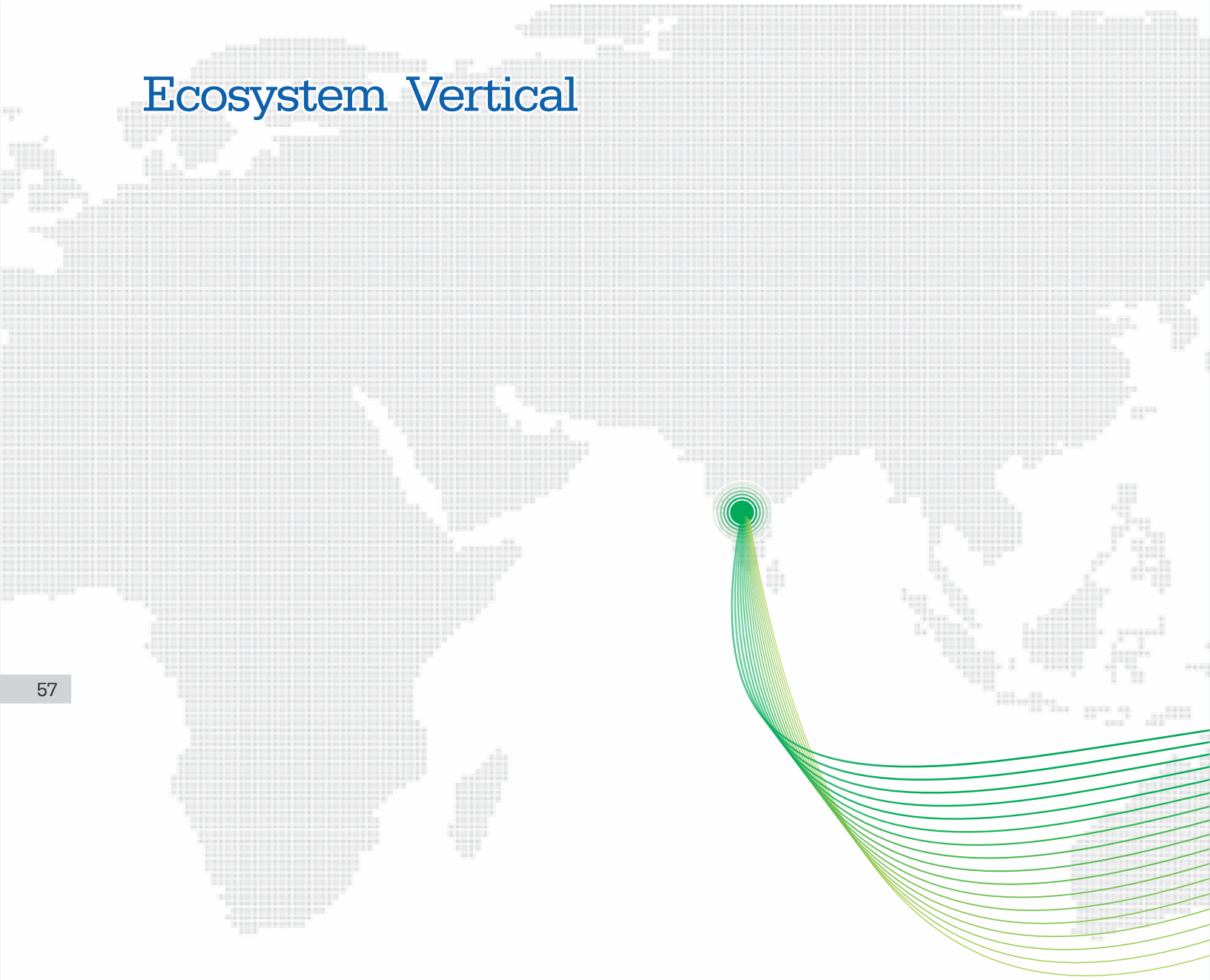


Ecosystem Vertical



Diverse Ideas. | Unique Endeavor.

Ecosystem Vertical





Your company operates Ecosystem ventures which complement its Exchanges by addressing upstream and downstream opportunities in the areas of clearing and depository, information dissemination, warehousing and collateral management, payments processing and financial market education.

 <p>NBHC National Bulk Handling Corporation Ltd. Adding Value to Commodities</p>	<p>National-level ISO 22000:2005 certified warehousing & bulk handling enterprise offering collateral management, testing & certification, commodity care & pest management, procurement and allied services</p>
 <p>atom the 'new way' to pay</p>	<p>One of India's leading service providers offering secure and convenient mobile payment solutions (IVR/Mobile Application/ Internet) to banks, merchants and customers across all platforms</p>
 <p>Ticker Bridging the Information Divide</p>	<p>Leading global content provider in financial information and market data services industry, integrating and disseminating ultra-low latency data feeds, news and information to support investment decisions of professionals and investors</p>
 <p>FTKMC FINANCIAL TECHNOLOGIES KNOWLEDGE MANAGEMENT CO.</p>	<p>Engaged in the design of domain knowledge across asset classes and offers numerous products and services in the realm of executive education, financial literacy, financial certification, research, consultancy, and advisory</p>



National Bulk Handling Corporation Ltd. (NBHC)

www.nbhcindia.com

Business Overview

- National-level ISO 22000:2005 certified Warehousing company and a leading integrated services enterprise for warehousing & bulk handling, collateral management, testing & certification, commodity care & pest management, procurement and allied services
- Pan-India presence across 900+ locations in 19 states and 35+ Quality Assurance laboratories
- Expertise in over 160 commodities
- Associated with 37 banks and financial institutions
- Facilitated procurement of food grains under the Minimum Support Price (MSP) Program of the Government of India, functioning on behalf of Food Corporation of India (FCI)

Products & Services

- Storage and Bulk Handling Services
- Collateral Management Services (NBHC Secure™)
- Commercial and Commodity Pest Management Services (NBHC CommGuard™)
- Quality Testing, Grading, Inspection, & Certification Services (NBHC ProComm™)
- Trade Facilitation Services
- Warehouse audit and Accreditation and Commodity Valuation Services (NBHC Mandate™)
- Procurement Services
- Information Services

Key Milestones During FY 2011-12

- Addition of 2 banks for warehouse receipt financing, thereby increasing the total number of associated banks and financial institutions to 37
- Surpassed ₹ 35,250 crores in cumulative value of Storage Receipts issued under Collateral Management
- Initiated infrastructure development of owned storage facilities at strategic locations
- Expanded Trade Facilitation activity to several centers and included more commodities in the ambit of services
- Increased national footprint

Awards/Recognition/Certification

- Certified ISO 22000:2005
- Accredited ISO 9001:2008 and a category-'F' membership of the Grain and Feed Trade Association (GAFTA).
- NABL accreditation (ISO 17025:2005) for its ProComm (QA) Laboratory at Vashi (Navi Mumbai)
- Associate member of National Association of Warehousing Corporations (NAWC) an association of government owned and managed warehousing corporations

Operational Matrix

	FY 10-11	FY 11-12
Warehousing		
Storage Capacity (mn MT)	2.2	2.24
Storage Space (mn sq.ft.)	14	14.33
Storage Facilities	578	586
Quality Assurance & Pest Management		
Functional QA Laboratories	36 (200+ mobile labs)	35+ (200+ mobile labs)
Number of Commodities Tested	150+	160+
Number of Certificates Issued	75,000+	60,000+
Collateral Management		
No. of Banks Associated With	35	37
Commodities Funded	150+	160+
CM Cumulative Funding facilitated (₹ Crore)	18,400+	24,800



TickerPlant Ltd. (TPIL)

www.tickerplantindia.com

Business Overview

- Leading global content provider in the financial information and market data services industry, integrating and disseminating ultra-low latency data feeds, news and information to support investment decisions of professionals and investors
- Information services coverage includes real-time data on asset classes such as equities, commodities, forex, money markets and fixed Income
- Disseminates information through variety of delivery channels, including desktop-based applications, browser-based applications and mobile applications.

Products & Services

- MarketView Terminal™ is an integrated cross asset, market data, news and analytics platform that offers real-time streaming information on domestic and international exchanges and extensive coverage of equities, derivatives, commodities, currencies, debt, money markets and mutual funds
- MarketView Terminal™ offers fast, reliable and comprehensive market data and news updates. Its real-time market data platform delivers ultra low latency, tick-by-tick data and features completely customizable screens, advanced charting, comprehensive and advanced technical analysis and economic data.
- MarketView Mobile® provides real-time streaming quotes of equities and commodities derivatives and forex on mobiles and enables real-time connectivity to equities, commodity and currency markets to market participants and investors
- TickerPlant's content solution for Web module delivers valuable information woven with a wealth of content, including Market statistics, Corporate filings, Initial public offerings ,Mutual funds, financial tools etc. on a single platform

Key Milestones During FY 11-12

- Incorporated new functionalities in the MarketView Terminal™ such as bond calculators, curve analysis, tickwatch, screeners, pivot point reports, market breadth indicators ,arbitrage watch, spread watch etc.
- Rolled out Android Tab and I Pad versions
- Enhancement of coverage with addition of new exchange segments
- Enhancement of coverage for the OTC markets
- Expansion into strategic accounts in various segments (public sector banks, private sector banks, cooperative banks, corporates, brokerage houses)



atom Technologies Ltd. (atom)

www.atomtech.in

Business Overview

- One of India's leading e-Commerce and m-Commerce payment service providers offering payment collection facilities over internet, IVR and mobile applications using credit, debit, net banking and cash cards
- Provides services to an array of clients spanning different sectors such as Government, Utility, Financial Services, Education, Travel and Tourism, Retail and Telecom.
- Has designed an internet-based payment processing platform for brokers and intermediaries in financial markets as well as merchants for accepting payments over the internet.
- Processes are in compliance with Reserve Bank of India (RBI) guidelines as well as with Card Associations such as VISA, MasterCard and Amex.
- Certified for PCI-DSS Version 2.0 and PA DSS Version 2.0 - global security benchmarks in the payments industry
- ISO 9001:2008 certified
- Has tie-ups with over 1000 merchants, more than 31 banks and 3 major telecom companies for all India operations.

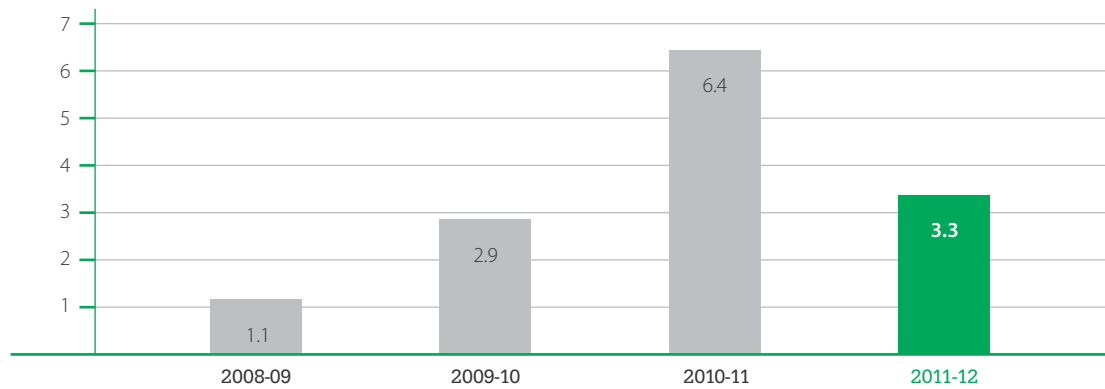
Products & Services

- m-Commerce: mobile/telephone-based services providing payment solutions through IVR, mobile banking and mobile applications.
- e-Commerce: Web based payment services providing payment solutions through internet payment gateways or net banking.
- Mobile Banking: Provides mobile banking solutions for banks
- Collaborated with top global aviation players such as Fly Emirates for ticketing on IVR and leading tour operators such as Travel Port to facilitate payment processing for their various services through IVR
- Successfully implemented IPG and Net Banking payment solutions for CII and Indian Merchant Chambers; India's leading trade bodies
- Collaborated with India's largest online B2B Marketplace for Small and Medium businesses, IndiaMart for payment of their products through IVR solutions

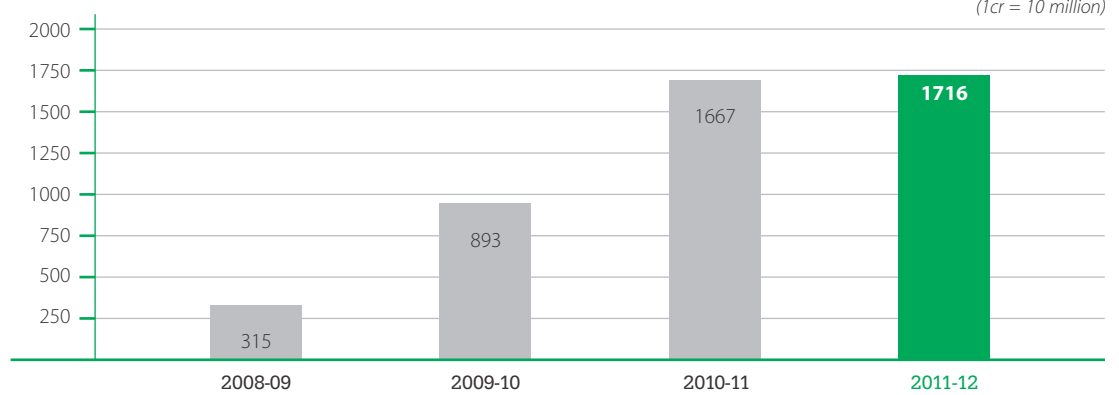
Key Milestones During FY 2011-12

- Tied up with over 300 merchants this year spanning various sectors such as Government, Insurance, Travel and Utility.
- Processed more than 3.5 million transactions this year worth ₹1,700+ crores.
- Effectively commenced IVR operations for several Government/Non-Government Utility organizations such as MSEDCL, KESCO, Reliance Energy, NDPL for easy bill payments and leading Insurance organizations such as L&T General Insurance and Cholamandalam General Insurance for secure payment of premiums
- Joined hands with Tata Institute of Social Sciences for secure and easy fee collection through atom's IPG/Net Banking solutions using credit and debit cards
- Effectively launched atom's IVR, Net Banking, IPG and mobile applications for Eureka Forbes to facilitate product sales and smooth after sales service
- Successfully started IPG/Net Banking payment options for trusts such as ISKCON and Ramakrishna Mission for reliable and easy acceptance of donations

Processed Transaction Volumes* (In million)



Processed Transaction Value (₹ cr)



**The numbers have dropped due to implementation of OTP (One time Password) as mandated by RBI for every IVR transaction and the lack of awareness of the same among the users. In the last three months the transactions have once again started picking up.*



FT Knowledge Management Co. Ltd.

www.ftkmc.com

Business Overview

FT Knowledge Management Company Limited (FTKMC) enjoys the distinction of being a leading provider of solutions and services in the realm of financial sector knowledge. FTKMC is engaged in the design of domain knowledge across major asset classes and offers numerous products and services in the realm of executive education, financial literacy, financial certification, research, consultancy, and advisory. FTKMC has successfully conducted nationwide training programmes as also extensive content development for the financial markets. FTKMC caters to the following major constituencies, domestically as well as internationally:

- Policy makers and regulatory authorities on subjects such as growing importance of financial markets in the economy and aspects of governance and management;
- Financial institutions on market development strategies, resource mobilization, and risk management
- Corporates and other business entities on the scope of harnessing and accessing financial markets and issuing securities and other instruments
- Intermediaries on the skill-sets and expertise required to operate in multi-asset-class markets, including trading and settlement;
- Students to prepare them with knowledge and know-how for successful careers in financial markets
- Investors to empower them with proper understanding and appreciation of the opportunities in the financial markets and risk and rewards associated with financial investments.

Products & Services

- In variety of ways, FTKMC serves its constituencies which include conducting certification exams in various asset classes, offering short and medium term skill oriented programmes, customizing long and short term programmes providing exposure to market practices for Business Schools in India and abroad, structuring financial markets visits for international clients, preparing and publishing weekly reviews, briefings, contents, including some innovative publications such as Financial Literacy Diary, Stock Investment Diary, and Essential of Investing (a set of 11 small booklets), etc., commentaries on contemporary issues in financial sector, specialised sector-specific research reports and papers, etc.
- FTKMC contributes in endeavours of the Group for market development by conducting awareness programmes for farmers, investors, government officials, faculty members of Universities, etc. in collaboration with exchange ventures promoted by FTIL.

- FTKMC offers highly specialised consultancy services and programmes in area of Knowledge Management and Financial literacy and inclusion. It also offers services to conduct specialised event and visit customizing the requirements of the client.

Key Milestones During FY 11-12

Major activities of FTKMC during the year include:

- **Consulting**
A major project on drawing a road map for knowledge management was undertaken for Capital Market Authority, Saudi Arabia; A study on grain price risk management in East and Southern Africa for the Food and Agriculture Organization (FAO); A study on Financial Services Outsourcing for GlZ, as a part of its project Sino-German Tianjin Modern Financial System Development Project, China. FTKMC presented two papers on the work done by it at an International Workshop held in Nairobi, Kenya on July 7 and 8, 2012.

As a part of the consulting on Knowledge Management, FTKMC has designed and developed a short 12 minute film on the scope of KM; a comprehensive KM Portal with provision for reference, interaction and learning (e-learning) which was widely appreciated for the quality of work.

- **Governance Education**

FTKMC annually conducts Directors Programme for Capital Markets Development Authority, Maldives. The third programme in the series was conducted from 19-24 September, 2011. FTKMC has also created content as well as question bank for conducting certification test for Corporate Directors for CMDA, Maldives.

- **Financial Education**

FTKMC conducted special programmes such as Winter School in Financial Markets Practice, a two week intensive course on real time functioning on financial markets; Market at Work a scalable programme specially designed for academic community. FTKMC also conducts financial market education programme for farmers, senior government officials, members of mandis, faculty members of B-schools and Universities. Domain experts of FTKMC have been invited by many reputed domestic and international market and academic institutions of repute to make presentations.

- **Financial Certification**

MCX Certified Commodity Market Professional (MCCP), the premier certification examination conducted by FTKMC is gaining wide acceptance among the student and professional community.

- **Financial Literacy**

FTKMC as an ongoing effort in promoting financial literacy has published "Essentials of

Investing" which was released by Dr. K. C. Chakrabarty, Deputy Governor, Reserve Bank of India, on 22nd March, 2012. A special article on Financial Literacy contributed by FTKMC was published in the Prime Year Book. FTKMC is admitted as an observer member of the International Network on Financial Education an initiative of the Organization of Economic Cooperation and Development (OECD).

- **Conferences and Seminars**

FTKMC has designed and coordinated the Financial Technologies Group's annual flagship Summit "The Future of Financial Markets" (FOFM) based on the theme "Ascent of Asian Finance". FOFM 2012 was conducted in Mumbai and Delhi and had presentations from over 30 speakers from abroad. It was attended by a large number of financial market professionals in India.

- **Special Reports**

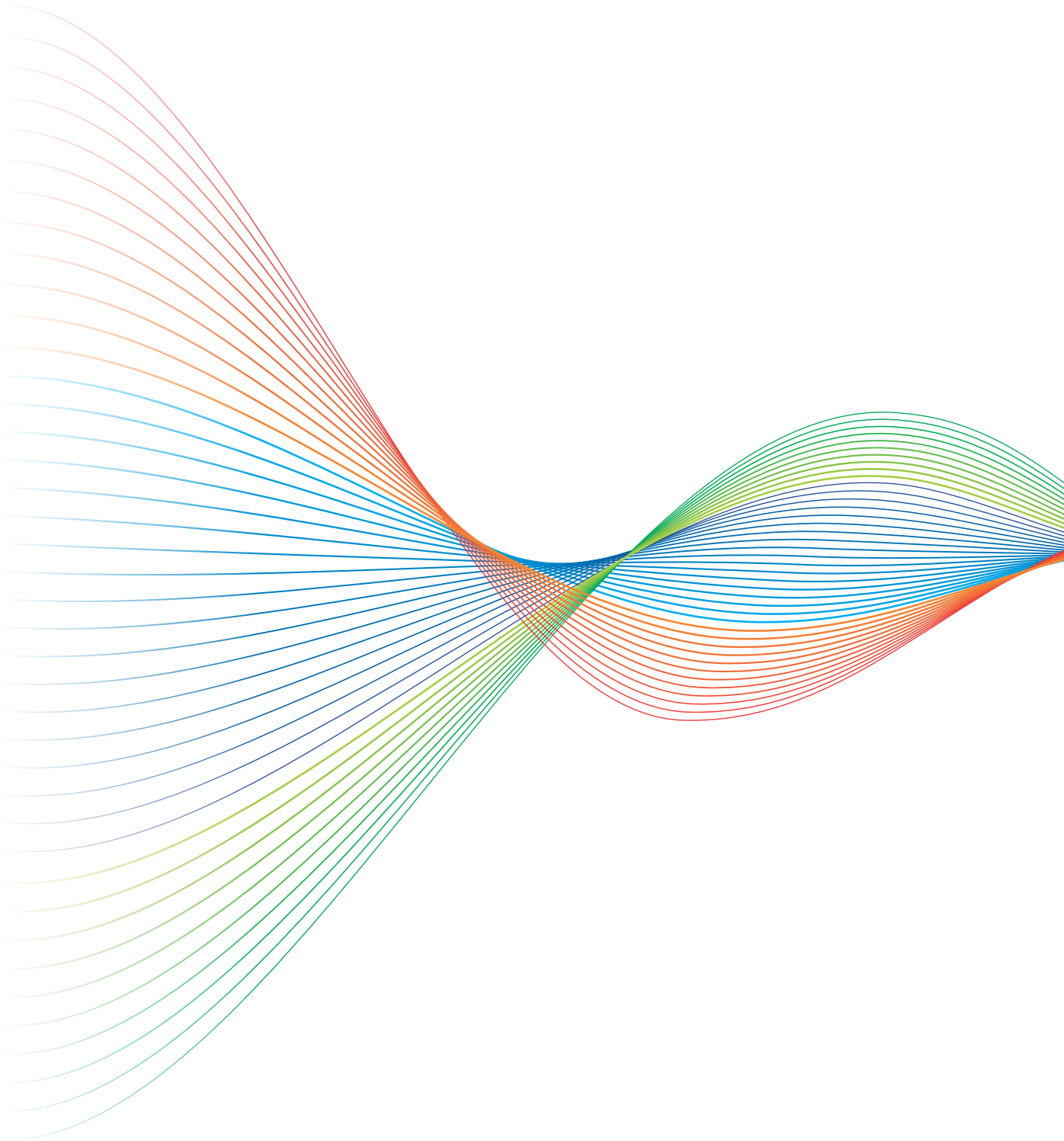
FTKMC has designed and published along with Tata Institute of Social Sciences (TISS), a special report "A Million Jobs and a Million More Opportunities" on the contribution of commodity exchanges in regard to creation of jobs, income and infrastructure. The report is ready for release.

- **Research and Communications**

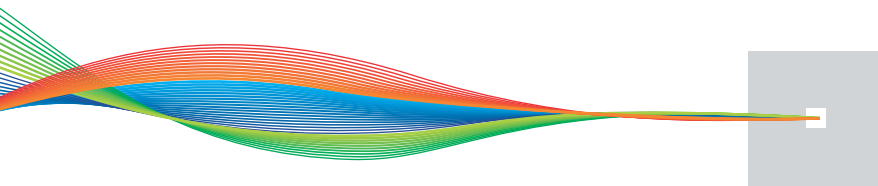
Markets in Motion, the weekly newsletter covering topics of current interest in economy and finance entered its third year with a subscriber base of more than 50,000. Two special reports on Asian Finance and India Rising were prepared to coincide with FOFM 2012 Summit.

- **Continuing Professional Education (CPE)**

FTKMC has been empanelled by National Institute of Securities Markets (NISM) as their approved content provider and trainer for CPE. FTKMC has conducted over 30 programmes attended by over 1000 market practitioners.



Corporate Governance



Diverse | Unique
Information. | Transparency.

Corporate Governance

Report on Corporate Governance

The detailed report on Corporate Governance for the Financial Year 2011-12 as per the format prescribed by the Securities and Exchange Board of India (SEBI) and as incorporated in Clause 49 as per the Listing Agreement is set out hereunder:

1. Company's Philosophy on the Code of Corporate Governance

Corporate Governance is a systematic process to ensure that all stakeholders' aspirations as well as societal expectations are met. Your company's corporate governance is based on a philosophy of trusteeship, transparency, empowerment, accountability, consistency and ethical corporate behaviour.

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

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

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

2. Board of Directors

2.1 Size and Composition of Board of Directors:

As on 31st March, 2012, the Board of Directors of the Company consists of eight professionally competent members comprising two Promoter & Executive Directors and six (i.e. 75%) Non-Executive Directors, of which four (i.e. 50%) are Independent Non-Executive Directors. The composition of the Board of Directors is as per the table given below:

Name of Director	Designation	Category	Shareholding in the Company as of 31 st March, 2012 (no. of shares)
Mr. Jignesh P. Shah (DIN00064913)	Chairman & MD	Promoter & Executive Director	8,329,585
Mr. Dewang Neralla (DIN 00107134)	Whole-time Director	Promoter & Executive Director	60,374
Mr. P. G. Kakodkar (DIN00027669)	Director	Independent, Non-Executive	2,150
Mr. Chandrakant Kamdar (DIN00348385)	Director	Independent, Non-Executive	Nil
Mr. R. Devarajan (DIN02604441)	Director	Independent, Non-Executive	Nil
Mr. C. M. Maniar (DIN00034121)	Director	Independent, Non-Executive	Nil
Mr. Ravi K. Sheth (DIN00022121)	Director	Non-Independent, Non-Executive	2,489,762
Mr. P. R. Barpande* (DIN00016214)	Director	Non-Independent, Non-Executive	Nil

*With effect from 1st April, 2012, Mr. P. R. Barpande became Independent Director of the Company

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

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

2.2 Board Meetings

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

The Board of Directors met four times during the year. The dates of meetings being 27th May, 2011; 10th August, 2011; 11th November, 2011 and 31st January 2012. The maximum time gap between any two meetings was not more than four calendar months.

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

The table mentioned below gives the attendance record of each Director at the Board Meetings held during FY 2011-12 as well as the last Annual General Meeting. It also gives details of the number of other Directorships and Chairmanship/Membership of Committees each Director holds in various Companies, as on 31st March, 2012.

Name of the Director	No. of Board Meetings held	Attendance Particulars		No. of other Directorships and Committee Membership / Chairmanship		
		Board Meeting	Last AGM	Directorship of other Indian Public Companies	Committee	
					Membership	Chairmanship
Mr. Jignesh P. Shah	4	2	No	5	1	-
Mr. Dewang S. Neralla	4	4	No	9	2	-
Mr. P. G. Kakodkar	4	2	No	6	3	-
Mr. Chandrakant Kamdar	4	4	Yes	-	-	-
Mr. R. Devarajan	4	3	Yes	5	5	1
Mr. C. M. Maniar	4	4	No	14	10	1
Mr. Ravi K. Sheth	4	3	No	2	1	-
Mr. P. R. Barpande	4	4	No	3	3	-

Notes:

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

c) Code of Conduct:

The Company has formulated and implemented a Code of Conduct for the Board of Directors and Senior Management of the Company. Annual affirmation of compliance with the Code has been made by the Directors and Senior Management of the Company. The Code has also been posted on the Company's website www.ftindia.com. The necessary declaration by the Chief Executive Officer of the Company regarding compliance of the above mentioned Code by Directors and Senior Management of the Company forms a part of the Corporate Governance Report.

d) Insider Trading Policy:

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

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

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

*Appointed as Whole-time Director w.e.f. 1st April, 2012

[#]Appointed as Director w.e.f. 28th June, 2012

2.4 Information provided to the Board:

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

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

- Non-compliance of any regulatory or statutory provisions or listing requirements as well as services related to shareholders such as non-payment of dividend etc.
- Quarterly details of risk related areas which are material in nature and action initiated by the management to mitigate the same.

3. Audit Committee

3.1 Composition, Names of Members and Chairperson:

The Audit Committee comprises of four Non-Executive Directors:

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

*w.e.f. 1st April, 2012, Mr. P. R. Barpande became an Independent Director of the Company.

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

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

The functioning of the committee includes the following:

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

3.3 Meetings and attendance:

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

Name of the Member	No. of Audit Committee Meetings held	Attendance Particulars
Mr. Chandrakant Kamdar	4	4
Mr. P. G. Kakodkar	4	2
Mr. R. Devarajan	4	3
Mr. P. R. Barpande	4	4

4. Risk Management

The Risk Management Committee (RMC) met 2 times during the year. The RMC is inter-alia mandated to review and upgrade the process to address and minimize the operational, monetary and other risks associated with the Company on a continuous basis.

5. Remuneration and Compensation Committee

5.1 Composition, Names of Members and Chairperson:

Remuneration and Compensation Committee comprises of:

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

*w.e.f. 1st April, 2012, Mr. P. R. Barpande became an Independent Director of the Company.

5.2 Brief Description of terms of reference

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

5.2.2 To evaluate the remuneration paid by comparable organizations;

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

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

During the year, the Committee met three times.

Name of the Member	No. of Remuneration & Compensation Meetings held	Attendance Particulars
Mr. Chandrakant Kamdar	3	3
Mr. P. G. Kakodkar	3	1
Mr. R. Devarajan	3	3
Mr. P. R. Barpande	3	2

5.3 Remuneration Policy:

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

5.4 Directors' Remuneration

i. Remuneration paid to the Executive Directors:

The aggregate value of salary, perquisites paid for the year ended 31st March, 2012 to the Managing Director and Whole-time Director are as follows:

Particulars	Jignesh Shah Managing Director	Dewang Neralla Whole Time Director	Total (₹)
Salaries and Allowances*	29,418,002	17,380,971	46,798,973
Monetary value of perquisites	311,067	10,800	321,867
Provision for compensated absences	408,583	241,402	649,985
Commission	125,000,000	-	125,000,000
Total	155,137,652	17,633,173	172,770,825

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

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

ii. Remuneration paid to the Non-Executive Directors

The Company pays sitting fees of ₹10,000/- per meeting to the Non-executive Directors for attending the meetings of the Board and of the Audit Committee. The gross sitting fees (including sitting fees paid for attending the meetings of the Directors' Committee) for the year ended 31st March, 2012 is as follows:

Name of the Director	Gross Sitting Fees (₹)
Mr. P. G. Kakodkar	40,000
Mr. Chandrakant Kamdar	80,000
Mr. R. Devarajan	60,000
Mr. C. M. Maniar	40,000
Mr. Ravi K. Sheth	30,000
Mr. P. R. Barpande	80,000

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

6. Shareholders'/Investors' Grievance and Share Transfer Committee

6.1 Composition, Names of Members and Chairperson:

The Committee comprises of:

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

6.2 Compliance Officer:

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

6.3 Brief Description of terms of reference:

The Committee, inter alia, approves transfer and transmission of shares, issuance of duplicate share certificates and reviews all the matters connected with share transfers. The Committee also looks into the redressal of shareholders'/investors complaints related to transfer of shares, non-receipt of Balance Sheet, non-receipt of dividends etc. Moreover, the Committee oversees the performance of the Registrar and Transfer Agent of the Company. The Committee met 6 times during the year under review.

The status of nature of Complaints received, resolved and pending during the financial year ended 31st March, 2012.

Nature of Complaints	Received	Resolved	Pending
Non-receipt of share certificate after transfer/merger/split/consolidation	9	9	-
Non-receipt of Annual Report	5	5	-
Non-receipt of Dividend	21	21	-
Total	35	35	-

During the year, no share transfer/complaints remained pending for more than 30 days. Also, there were no share transfers pending as on 31st March, 2012.

7. General Body Meetings

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

Financial Year	Date	Time	Venue of the meeting
2008-09	25-09-2009	10.00 a.m.	Russian Cultural Centre, 74, Kasturi Ranga Road, Chennai - 600 018
2009-10	29-09-2010	10.30 a.m.	Russian Cultural Centre, 74, Kasturi Ranga Road, Chennai - 600 018
2010-11	29-09-2011	10.30 a.m.	Sri P. Obul Reddy Hall (Vani Mahal) 103, G. N. Chetty Road, T. Nagar, Chennai - 600017.

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

Financial Year	Date of AGM	Particulars
2008-09	25-09-2009	i) Re-appointment of the Managing Director ii) Re-appointment of the Whole-time Director iii) Consent of the Shareholders for granting ESOPs under ESOS 2009 to the eligible employees/Directors of the Company. iv) Consent of the Shareholders for granting ESOPs under ESOS 2009 to the eligible employees/Directors of the Subsidiary/ies. v) Consent of the Shareholders for issuing/offering Depository Receipts/other equity related instruments through International/Domestic Public Offering not exceeding ₹1500 crore. vi) Revision in the salary of Mr. Manjay P. Shah holding office of profit in terms of section 314 (1B) of the Companies Act, 1956.
2009-10	29-09-2010	i) Consent of the Shareholders for granting ESOPs under ESOS 2010 to the eligible employees/Directors of the Company. ii) Consent of the Shareholders for granting ESOPs under ESOS 2010 to the eligible employees/Directors of the Subsidiary/ies. iii) Consent of the Shareholders for issuing/offering Depository Receipts/other equity related instruments through International/Domestic Public Offering not exceeding ₹1500 crore. iv) Revision in the salary of Mr. Manjay P. Shah holding office of profit in terms of section 314 (1B) of the Companies Act, 1956.
2010-11	29-09-2011	Consent of the Shareholders for issuing /offering Depository Receipts/other equity related instruments through International/Domestic Public Offering not exceeding ₹1,000 crore.

7.2 Postal Ballot:

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

7.3 Disclosures:

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

7.3.2 There were no instances of non-compliances of any matter related to the capital markets, no penalties and strictures were imposed by Stock Exchanges or SEBI or any statutory authority during the last three years.

7.3.3 The Company has fulfilled the non-mandatory requirements as prescribed in Annexure ID of Clause 49, which are as under: Remuneration & Compensation Committee: The Company has already set up the Remuneration & Compensation Committee. For further details please refer clause 5 of this report.

Auditor's qualification: Nil

Training of Board Members: The Board members are updated about the business model of the Company and also its subsidiaries through presentations by various business heads.

8. Subsidiary Companies

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

9. Means of Communication

9.1 The quarterly results are published in newspapers, namely Trinity Mirror in English and Makkal Kural in the regional language.

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

9.3 The Company's audited and un-audited financial results, press releases, other press coverage, press clippings, stock information, Annual Reports, etc, are posted on the Company's Website www.ftindia.com

The Company's financial results, shareholding pattern, corporate announcements, etc, are posted on the website www.corpfiling.co.in as per the requirements of Clause 52 of the Listing Agreement.

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

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

10. General Shareholder Information**10.1 Annual General Meeting:**

Date : 27th September 2012, Thursday

Time : 10.30 a.m.

Venue : Sri P. Obul Reddy Hall (Vani Mahal) 103, G. N. Chetty Road, T. Nagar, Chennai – 600017.

10.2 Financial Calendar:

Financial Year: 1st April, 2012 to 31st March, 2013

Financial Reporting for the quarter ending (tentative and subject to change):

30 th June, 2012	By or before 14 th August, 2012
30 th September, 2012	By or before 14 th November, 2012
31 st December, 2012	By or before 14 th February, 2013
31 st March, 2013	By or before 30 th May, 2013 (audited figures) as per Stock Exchange Listing Agreement

10.3 Book-Closure Date and Dividend Disclosure:

a) The Books shall be closed from 21st September, 2012 to 27th September, 2012 (both days inclusive) for the purpose of the ensuing Annual General Meeting. The Dividend, if approved by the shareholders at the Annual General Meeting, shall be paid to all shareholders whose names appear

- as beneficial owners at the end of the business day on the 20th day of September 2012, as per the details available with NSDL & CDSL, and
- on the Register of Members as on 20th day of September 2012 of owners holding shares in physical form.

b) Announcement of Dividend:

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

c) Mode of Payment and Date of Payment:

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

Date of Payment: Within the statutory time limit.

10.4 Listing:

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

During the year under review, the Company repaid the entire outstanding Foreign Currency Convertible bonds (FCCBs) and accordingly w.e.f. 21st December, 2011 FCCBs de-listed from the Singapore Exchange Securities Trading Limited.

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

As on 31st March, 2012, there were 51,628 shareholders of the Company.

10.5 Stock Market Codes:

a) Trading Symbol

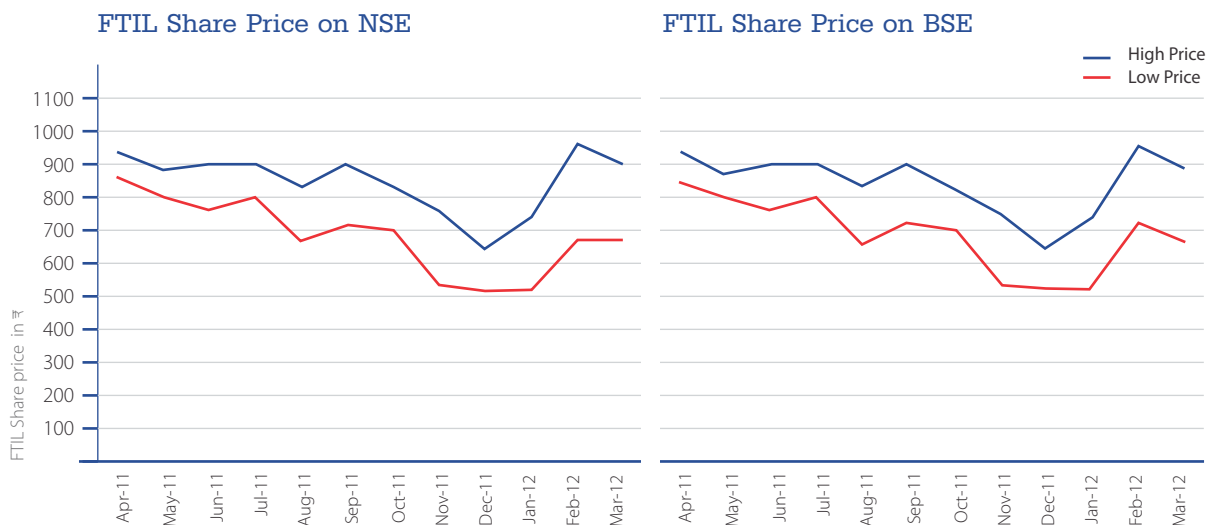
Name of the Stock Exchanges	Scrip Code	Reuters	Bloomberg
BSE Ltd.	526881	FITE.BO	FTECH:IN
National Stock Exchange of India Ltd.	FINANTECH	FITE.NS	-
Madras Stock Exchange Ltd.	WTG	-	-
Ahmedabad Stock Exchange Ltd.	67641	-	-
Luxembourg Stock Exchange - (GDR)	FinTechnolIndia GDR ne	-	-

- b) Depository for Equity Shares : NSDL and CDSL
- c) Demat ISIN Number
- Equity share : INE111B01023
- d) GDR Security Numbers
- Regulation S GDRs Master Regulation S GDR ISIN: US31769V2060
Master Regulation S GDR Common Code: 032082424
Master Regulations S GDR CUSIP: 31769V206
- Rule 144A GDRs Master Rule 144A GDR ISIN: US31769V1070
Master Rule 144A GDR CUSIP: 31769V107
Master Rule 144A GDR Common Code: 032082823

10.6 Stock Market Data:

The market price data is given below, covering the period April 2011 to March 2012

Month & Year	National Stock Exchange of India Ltd.			BSE Limited		
	High Price ₹	Low Price ₹	Volume Nos.	High Price ₹	Low Price ₹	Volume Nos.
Apr-11	931.30	855.00	1776018	931.00	853.00	500488
May-11	883.80	788.15	1182027	873.40	788.90	503184
Jun-11	891.95	763.95	1903479	892.65	765.40	1417524
Jul-11	902.00	808.00	1447866	901.55	806.40	330026
Aug-11	822.00	665.00	3526170	820.75	656.50	1213151
Sep-11	904.00	723.00	4533892	903.00	721.30	1437660
Oct-11	822.00	689.60	2657967	815.00	690.00	801008
Nov-11	749.65	540.05	3198986	749.65	540.20	1150944
Dec-11	644.20	513.00	2298148	644.50	518.10	694754
Jan-12	740.00	525.30	2981454	734.00	522.05	968068
Feb-12	959.95	669.75	9868499	958.80	728.45	3122791
Mar-12	888.00	661.30	11290270	889.90	662.05	3661702



10.7 Share Price Performance in broad based indices

Performance of the Company's shares vis-à-vis Sensex and CNX Nifty at a common base of 100 for the year-ended 31st March 2012 is given in the chart below:

Chart Showing FTIL Share Price in BSE Vs Sensex
At a Common Base of 100 from April 2008 to March 2012

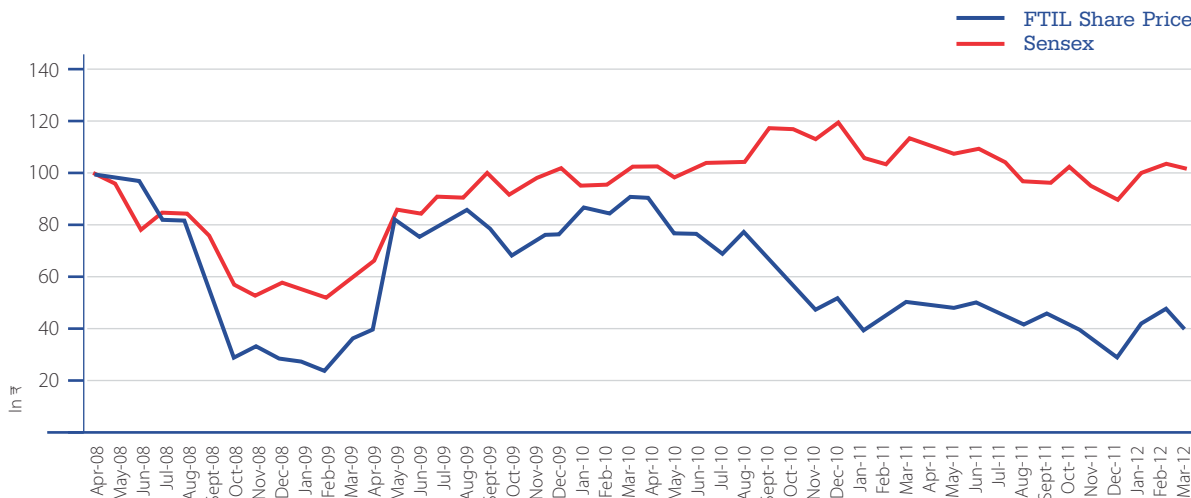
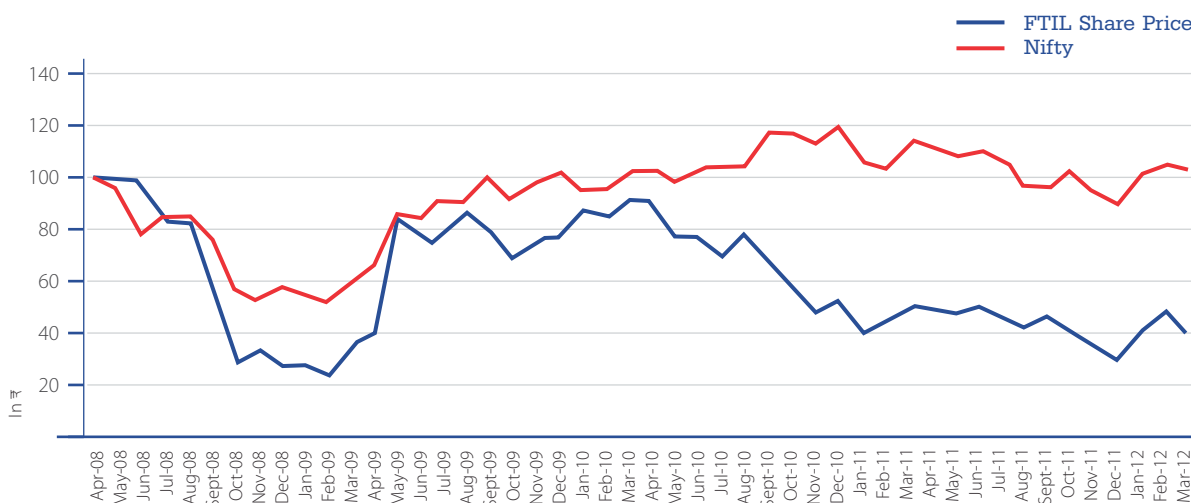


Chart Showing FTIL Price In NSE Vs CNX Nifty
At a Common base of 100 From April 2008 to March 2012



10.8 Registrar & Transfer Agent:

Karvy Computershare Private Limited, Plot No. 17 to 24, Vittalrao Nagar, Madhapur, Hyderabad -500081.
T: +91 040 2342 0818 | F: +91 040 2342 0814 | E: igkcp@karvy.com

10.9 Share Transfer System:

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

10.10 Dematerialisation of Shares and Liquidity:

The shares of the Company are compulsorily traded in dematerialized (electronic) form and available for trading under both the Depositories viz. NSDL and CDSL. As on 31st March, 2012, a total of 45,942,018 equity shares of the Company were dematerialised, forming 99.70% of the Company's total Share Capital.

Category	No. of Shareholders	% of Shareholders	No. of Equity Shares	% of Shares
Physical	473	0.92	136,519	0.30
Electronic				
Under CDSL	18,754	36.32	4,221,111	9.16
Under NSDL	32,401	62.76	41,720,907	90.54
Total	51,628	100.00	46,078,537	100.00

Go Green Initiative:

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

10.11 Distribution of Shareholding and Shareholding Pattern as on 31st March, 2012

Category (Shares)	No. of Holders	% to Holders	No. of Shares	% to Equity
1 - 500	50112	97.07	2297367	4.99
501 - 1000	746	1.45	553497	1.20
1001 - 2000	324	0.63	476842	1.03
2001 - 3000	125	0.24	312649	0.68
3001 - 4000	59	0.11	206470	0.45
4001 - 5000	47	0.09	214303	0.47
5001 - 10000	79	0.15	576779	1.25
10001 - and above	136	0.26	41440630	89.93
Total	51628	100.00	46078537	100.00

10.12 Shareholding Pattern:

As on 31 st March, 2012	No of Shares Held	% of Share Held
A. Promoter's Holding		
Indian Promoters: (Promoters, Directors, their relatives and companies under their control)	21,052,582	45.69
Foreign Promoters	-	-
Sub Total (A)	21,052,582	45.69

As on 31 st March, 2012	No of Shares Held	% of Share Held
B. Public Shareholding:		
Institutional Investors:		
a) Mutual Funds	3,711,584	8.05
b) Banks	133,643	0.29
c) Foreign Institutional Investors	10,162,612	22.05
d) Financial Institutions	104,324	0.23
Non-Institutional Investors:		
a) Private Corporate Bodies	2,016,075	4.38
b) Indian Public	4,665,293	10.12
c) NRIs	160,142	0.35
d) Others	3,963,688	8.60
Subtotal (B)	24,917,361	54.07
GDRs underlying Equity shares	108,594	0.24
Subtotal (C)	108,594	0.24
Grand Total (A+B+C)	46,078,537	100.00

Notes:

- The Company issued 11,639,677 GDRs in FY 2007-08, whereby seven GDRs represent one equity share of a nominal value of ₹2/- each.
- The total foreign holding is 10,431,348 shares, i.e. 22.63% of the total share capital.

Shareholding Pattern

**10.13 Statutory Compliance**

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

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

10.14.1 Foreign currency Convertible bonds (FCCBs):

During the year under review, 90,500 FCCBs having face value of USD 1,000 each were repaid by the Company on the due date i.e. 21st December, 2011. As on 31st March, 2012, there are no outstanding FCCBs.

10.14.2 Employee Stock Option Scheme (ESOP):

During the year under review, under ESOP Schemes 2009 and 2010, your Company granted 18,00,000 stock options to various employees at an exercise price of ₹770/- per share and are in force as on 31st March, 2012

10.14.3 Global Depository Receipts (GDRs)

The outstanding GDR as on 31st March, 2012 were 760,158.

11. Location of Offices

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

12. Investor Correspondence

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

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

Vice President & Company Secretary

Financial Technologies (India) Ltd.

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

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

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

Investor Relations Department

Financial Technologies (India) Ltd.

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

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

13. Unpaid/Unclaimed Dividend

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

During the year, your Company transferred ₹92,343/- (Rupees Ninety Two Thousand Three Hundred Forty Three only) for the year 2003-2004 to IEPF account on 21st November, 2011.

Shareholders of the Company who have either not received or have not encashed their dividend warrants, for the financial year, 2004-05 Interim and Final Dividend 2005-06, Interim and Final Dividend 2006-07, Interim and Final Dividend 2007-08, Interim and Final Dividend 2008-09, Interim and Final Dividend 2009-10, Interim and Final Dividend 2010-11 and Interim Dividend 2011-12, are requested to claim the unpaid/unclaimed dividend from the Company / Share Transfer Agent of the Company before it is transferred to the IEPF.

Particulars	Rate of Dividend	Date of Declaration	Due for Transfer on or before
Final Dividend 2004-05	20%	27 th September, 2005	1 st December, 2012
Interim Dividend 2005-06	40%	26 th October, 2005	30 th December, 2012
Final Dividend 2005-06	260%	29 th September, 2006	3 rd December, 2013
1 st Interim Dividend 2006-07	40%	31 st July, 2006	4 th October, 2013
2 nd Interim Dividend 2006-07	40%	31 st October, 2006	4 th January, 2014
3 rd Interim Dividend 2006-07	40%	31 st January, 2007	6 th April, 2014
4 th Interim Dividend 2006-07	180%	16 th April, 2007	20 th January, 2014
Final Dividend 2006-07	100%	28 th September, 2007	2 nd December, 2014
1 st Interim Dividend 2007-08	50%	31 st July, 2007	4 th October, 2014
2 nd Interim Dividend 2007-08	350%	31 st October, 2007	4 th January, 2015
3 rd Interim Dividend 2007-08	400%	17 th January, 2008	23 rd March, 2015
Final Dividend 2007-08	200%	28 th August, 2008	2 nd November, 2015

contd.

Particulars	Rate of Dividend	Date of Declaration	Due for Transfer on or before
1 st Interim Dividend 2008-09	200%	31 st July, 2008	5 th October, 2015
2 nd Interim Dividend 2008-09	100%	31 st October, 2008	5 th January, 2016
3 rd Interim Dividend 2008-09	100%	24 th January, 2009	30 th March, 2016
Final Dividend 2008-09	100%	25 th September, 2009	29 th November, 2016
1 st Interim Dividend 2009-10	100%	30 th July, 2009	3 rd October, 2016
2 nd Interim Dividend 2009-10	100%	29 th October, 2009	2 nd January, 2017
3 rd Interim Dividend 2009-10	100%	29 th January, 2010	4 th April, 2017
Final Dividend 2009-10	100%	29 th September, 2010	3 rd December 2017
1 st Interim Dividend 2010-11	100%	11 th August, 2010	15 th October 2017
2 nd Interim Dividend 2010-11	100%	9 th November, 2010	13 th January 2018
3 rd Interim Dividend 2010-11	100%	27 th January, 2011	2 nd April 2018
Final Dividend 2010-11	100%	29 th September, 2011	3 rd December 2018
1 st Interim Dividend 2011-12	100%	10 th August 2011	14 th October 2018
2 nd Interim Dividend 2011-12	100%	11 th November 2011	15 th January 2019
3 rd Interim Dividend 2011-12	100%	31 st January 2012	6 th April 2019

14. Secretarial Audit for Reconciliation of Capital

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

Information on Directors Re-appointment:

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

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

Name of the Director	Mr. P. R. Barpande*
Date of Birth	29/11/1947
Date of appointment on the Board	11/08/2010
Qualifications	B.Com, L.L.B, FCA
Expertise	Over 32 years of wide experience in Audit. He also specializes in US GAAP & IFRS.
Directorship held in other companies (excluding foreign and private companies)	MCX Clearing Corporation Ltd., Blossom Industries Ltd., MCX Stock Exchange Ltd., Multi Commodity Exchange of India Limited*
Membership/Chairmanship of committees across public companies	Membership -3
Number of shares held in the Company	NIL

*Appointed as Director w.e.f. 28th June, 2012.

Name of the Director	Mr. R. Devarajan
Date of Birth	06/05/1954
Date of appointment on the Board	23/03/2009
Qualifications	B.Com, FCA
Expertise	30 years of experience in company statutory audits and personal and company taxation. His specialization also includes formation and audit/taxation of public charitable trusts.
Directorship held in other companies (excluding foreign and private companies)	National Bulk Handling Corporation Ltd., National Spot Exchange Ltd., Riskraft Consulting Ltd., TickerPlant Ltd., atom Technologies Ltd.
Membership/Chairmanship of committees across public companies	Membership – 5 Chairmanship – 1
Number of shares held in the Company	NIL

Director Regularization

Name of the Director	Mr. Jignesh Shah
Date of Birth	12/01/1967
Date of appointment on the Board	15/09/2000
Qualifications	B.E.
Expertise	Founder of the Company and is known as an 'Innovator of Modern Financial Markets'. He has been using a model of public private partnership and thereby building world class financial institutions in emerging economies.
Directorship held in other companies (excluding foreign and private companies)	Indian Energy Exchange Ltd., Multi Commodity Exchange of India Ltd., MCX Stock Exchange Ltd., National Bulk Handling Corporation Ltd., National Spot Exchange Ltd.
Membership/Chairmanship of committees across public companies	Membership - 1
Number of shares held in the Company	8,329,585

Name of the Director	Mr. Dewang Neralla
Date of Birth	24/01/1969
Date of appointment on the Board	15/09/2000
Qualifications	B.E.
Expertise	Chief Technology Architect and co-founder of the Company and plays a large part in creating the technology infrastructure that is central to the Group.
Directorship held in other companies (excluding foreign and private companies)	atom Technologies Ltd., Boursa India Ltd., Financial Technologies Communications Ltd., Global Payment Networks Ltd., Indian Bullion Market Association Ltd., Riskraft Consulting Ltd., TickerPlant Ltd., Trans-Global Credit & Finance Ltd., FT Projects Ltd.
Membership/Chairmanship of committees across public companies	Membership – 2
Number of shares held in the Company	60,374

Name of the Director	Mr. Manjay Shah**
Date of Birth	01/06/1971
Date of appointment on the Board	01/04/2012
Qualifications	Electrical Engineer
Expertise	Total work experience spreads over a period of 16 years in the field of Marketing, Business Development, Receivables Management, Facilities and Infrastructure Management. Instrumental role in achieving 80% market share in Company Products.
Directorship held in other companies (excluding foreign and private companies)	NIL
Membership/Chairmanship of committees across public companies	NIL
Number of shares held in the Company	76,918

**Mr. Manjay Shah is a relative (brother) of Mr. Jignesh Shah.

DECLARATION BY THE CHIEF EXECUTIVE OFFICER UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING COMPLIANCE TO THE CODE OF CONDUCT

I hereby confirm that all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March, 2012.

For Financial Technologies (India) Ltd.

Place : Mumbai

Date : 30th May, 2012

Jignesh Shah

Chairman & Managing Director

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

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

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2012 and to the best of our knowledge and belief;
 - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
 - these statements together present a true and fair view of the company's affairs, and are in compliance with the existing accounting standards, applicable laws and regulations
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct
3. We accept the responsibility for establishing and maintaining internal controls for financial reporting. We have also evaluated the effectiveness of the internal control systems of the Company with respect to financial reporting and deficiencies in the design or operation of internal controls, if any, have been disclosed to the Auditors and the Audit Committee. They have been intimated about the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee of
 - i. significant changes in internal control during the year;
 - ii. significant changes in accounting policies during the year; the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee who has a significant role in the Company's internal control system over financial reporting.

Jignesh Shah

Chairman & Managing Director

Devendra Agrawal

Chief Financial Officer

Place : Mumbai

Date : 30th May, 2012

AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Financial Technologies (India) Limited

We have examined the compliance of the conditions of Corporate Governance by **FINANCIAL TECHNOLOGIES (INDIA) LIMITED** ("the Company"), for the year ended 31st March, 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

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

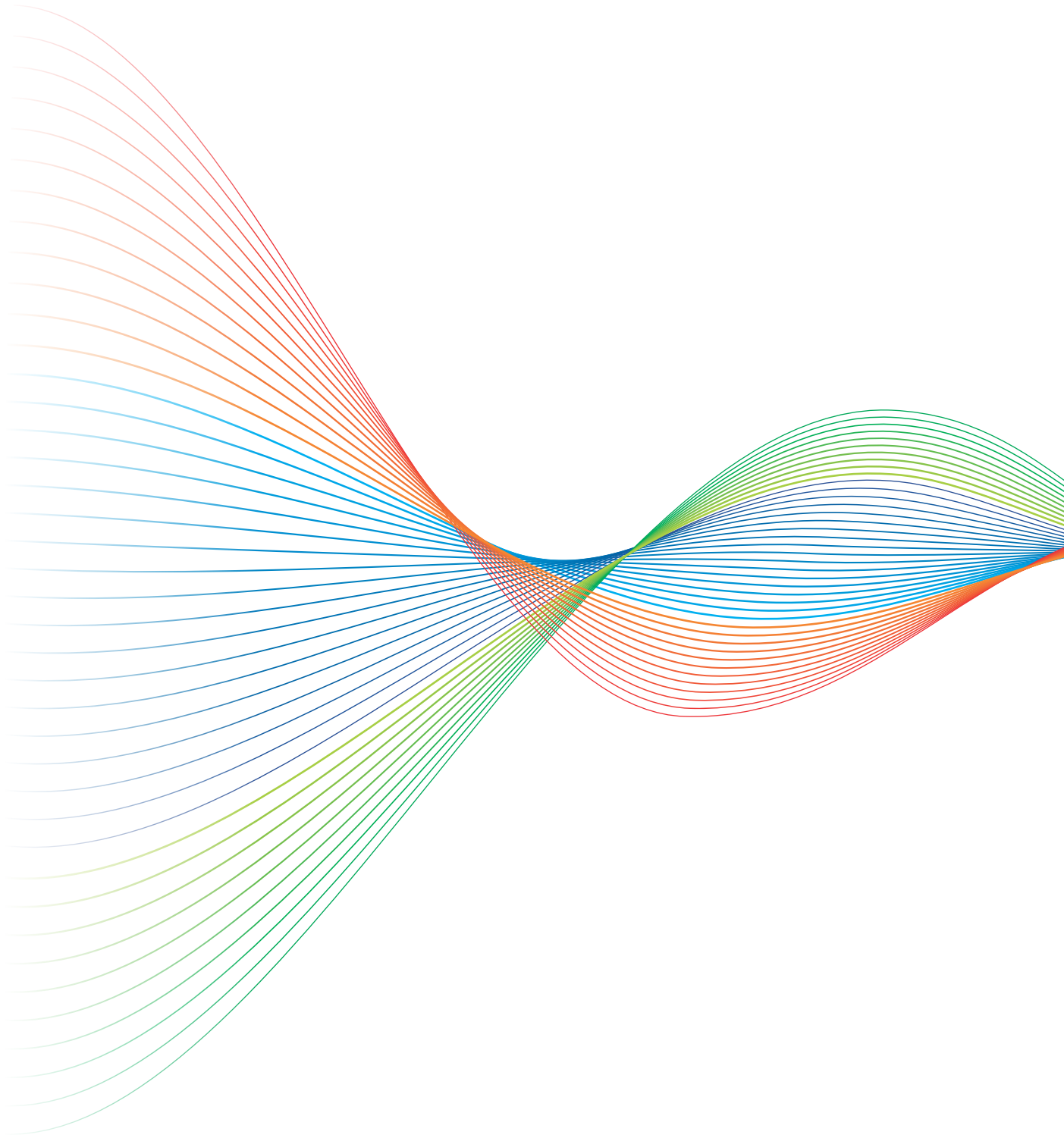
We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the state of affairs of the Company.

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

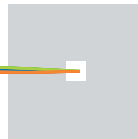
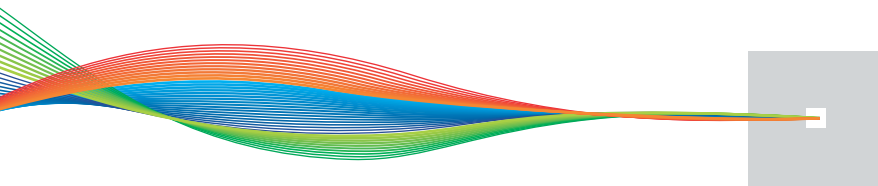
Rajesh K. Hiranandani
Partner
(Membership No.: 36920)

Place : Mumbai
Date : 6th August, 2012

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Human Capital Overview



Diverse | Unique
Personnel. | Goal.

Human Capital Overview

In 2011-12, the **Financial Technologies Group** continued to sustain momentum on key people priorities. Our people agenda comprises of building a robust talent and leadership pipeline which can drive the group and its strategic goals efficiently in the present and the future, and engage employees across levels to foster a high performance culture.

Talent Management and Acquisition

We, at the Financial Technologies Group follow the spirit of 'Affirmative Action Policy' for hiring and sourcing talent. We aim to hire highly talented professionals who are adept in terms of technical skills as well as managerial abilities. We do this through job portals, consultants and references. We strongly believe that our human capital should be a judicious mix of experience and youth; hence we also undertake extensive campus recruitment drives and provide young graduates with immense opportunities for a rewarding career. We have also recently implemented a centralized internal online system for recruitments.

PARICHAY, our Employee Referral Scheme, contributes the most among all human resource sourcing channels – 44% this year – a clear employee endorsement of the excellent work culture prevailing within the organization. The journey of a new employee commences with a detailed

Induction Programme, a well-defined Job Description (JD) and Key Result Areas (KRA) to facilitate proper understanding of the expected role and to enable planning of their career goals. Your Company has been recognized for these HR Practices and has been conferred the "Best Employer Award for innovation in recruitment in 2010-11" by the Employer Branding Institute.

Learning and Development Initiatives

Your Company is a strong believer of keeping its employees tuned to the emerging industry and technology trends and sharpening their acumen by way of various Employee Enrichment Programs and training initiatives. These initiatives are aimed at upgrading their technical, soft and functional skills as well as their leadership abilities.

Learning at the first level is imparted through a structured and comprehensive Induction Program on the day of joining, enabling new employees to get a quick and valuable insight about the organization as a whole as well as its policies and procedures. This enables them to adapt well to the organizational culture. Some other initiatives that were undertaken in the year to identify our talent and capability priorities are as follows:

SYMPHONY – Connect. Collaborate. Create.

Symphony is a Managerial Skills Development Program, focused at maximizing the potential of managers, grooming them and enhancing their communications skills. The program content was drafted on the basis of inputs received from the heads of various departments on the functional and managerial competencies they expected of their team members. The main objectives of the program are as below:

- Interpreting the challenges of a managerial role
- Facilitating insights on personal characteristics and capabilities and their impact
- Exploring personal styles in inter-personal context
- Developing a personal leadership style/signature
- Channelizing the team's efforts towards achievement of goals
- Embracing individual differences to ensure collective identity and goals
- Ascertaining performance coaching and counseling
- Developing strategic business perspective
- Working towards effective decision making
- Inferring and leveraging organizational dynamics

The program has been titled 'Symphony' since this term effectively communicates the role of the 'leader manager' in working with the team in achieving business results that are quantifiable. The program also aimed at helping teams to develop productive behaviors that bring about quantifiable change in business outcomes.

Elements explored in the program are:

- Gaining Self Awareness
- Building and Leading an Effective Team
- Developing Business Perspective
- Mentoring & Coaching
- Aligning the Leader & Team Relationship

At the end of the program, feedback was given to each participant with reference to his/her team lead role capabilities. The participants were asked to draw a personal plan, and they were guided to take up team driven project based exercises that were monitored and evaluated as part of the proposed refresher module on completion of 3 months. High potential members, who can be nurtured through performance mentoring and coaching and groomed to take up challenging assignments, were identified.

Symphony program was well appreciated and received great reviews from the participants. The program was a breakthrough of sorts as it emphasized more on self-exploration (Who AM I) concept which was explained with the help of mythological character and transactional analysis. It was based on the fundamental principle that a positive attitude can be achieved through an internal change in the self.

The three-day program focused on transforming employees into successful managers and team leaders based on modern concept of leadership which is more about attitudinal qualities and not just the management processes. This concept of Leadership style was explained with the aid of Situational Leadership Grid, Managerial Grid, Johari Windows. Mentoring and Coaching was also explained with the help of Real life case studies given to explain Mentoring and Coaching

The Leadership Connect session where Senior Leaders from the organisation addressed the young managers and inspired them through their personal journey was well-appreciated.

Symphony Conversation Circles

Conversation Circles (C2) is a continuation of the symphony managerial program. It's a platform where diverse perspectives on leadership and team building were discussed.

Symphony Conversation Circle is arranged once in a month to provide a

platform where participants can share their real life challenges and talk about their vision, mission, inhibitions and concerns. By sharing their creativity and wisdom, the individuals enabled other members of the group gain valuable insights about professional and personal challenges and about ways and means of overcoming them.

IMPACT - Professional Effectiveness Workshop

IMPACT is a training workshop intended to develop key skills and techniques for effective dealings with clients. This program enabled participants to:

- Analyze their current effectiveness in terms of time and priority management
- Identify appropriate situations and techniques for assertive communication
- Confidently deal with conflict situations and 'difficult' people
- Recognize the factors that contribute to building personal profile and impact
- Develop a personal action plan to enhance personal effectiveness at work
- Recognize the importance of working in teams

Topics Covered:

- Corporate Etiquette
- Business Communication
- Interpersonal Skills
- Time Management
- Team Synergy

Customer Delight Workshop

Customer Delight Workshop was conducted to enable employees to understand the importance of professional and effective communication with customers, superiors and colleagues. This course enabled participants to:

- Understand the importance of communicating effectively
- Understand verbal and non-verbal communication

- Understand roadblocks to communication
- Learn to listen more effectively
- Ask smart questions
- Learn to be more assertive
- Write effective emails
- Differentiate between good customer service & bad customer service
- Create Lasting Impressions
- Deal with different customer types
- Customer Service Skills over Telephone
- Sharpen communication skills over telephone

Time Management Workshop

This program focused on the fundamentals of time management, proven ways to get the most out of a day, attaining work-life balance, and much more.

Topics Covered:

- Understanding time management
- Time management principles
- Time saving techniques
- Dealing with stress
- Practical time planning

High IMPACT Presentation Skills Program

This program focused on delivering impactful presentations which enable clear and consistent delivery of message to the relevant target audience.

In this program, participants learned ways of conquer stage fright and deliver efficient presentations. From a dynamic introduction to powerful conclusion, participants got an opportunity to practice and refine their presentation skills.

Topics Covered:

- Introduction to Effective Presentations
- Preparing for a Presentation
- Delivering a Presentation effectively

- Handling the Audience
- Grooming & Etiquette

Employee Engagement

Employee engagement is a business imperative as highly engaged employees deliver exceptionally well. We, at Financial Technologies, strongly believe that every employee is our valued customer!

Being in technology-focused company, we have ensured that all administrative & functional processes are online. This helps employees have all information at their fingertips across all locations. We believe performance is the key to success. Performance coaching and counseling in the form of a mentorship program has enabled us to build a fair and transparent work environment. Clearly defined KRAs and targets are set for each role in the form of an Organization Growth Commitment (OGC) statement. The objective of our OGC system is to:

- Identify and monitor the role specific Key Result Areas (KRAs) and Key Performance Indices (KPIs)
- Assess/Review member's quarterly and annual performance
- Reward good performance in form of Performance Based Variable Pay (PBP) and annual increment/promotion
- Identify training and development needs of employees

Our OGC assessment is a biannual process and it ensures employees' alignment and commitment to organizational growth.

Fun at Work Initiatives

Stills 2011

Your company participated in the Corporate Photography Festival STILLS 2011 organized by Woot Factor and its associates like Lonely Planet, iStore, Olympus, Apple etc.

The objective of the participation was to give members a platform to exhibit their artistic and creative talents. The

employees were invited to send original photographs of nature, people, animals, street scene etc. clicked by them along with a creative caption.

This year STILLS 2011 – Season 2 was promoted quite innovatively and created a powerful employee connect experience. Your company's HR team, in association with IT and Communications team, rolled out a unique 'Employee Communication Strategy' for encouraging participation in Stills 2011. The IT team created a special online interface for employees to submit their stills. The HR team launched a weekly STILLS BULLETIN to share Stills Scorecard on a regular basis. We won the top Corporate Award (along with Aditya Birla Group) for maximum employee participation and for executing the 'Most Innovative Marketing Plan' to promote STILLS 2011 within our organization.

Independence Day, 2011

Your company celebrated the 64th Independence Day with great fervor.

Your company also participated in the 10th Vision Testing and Eye Donation Pledge Drive at L&T Hospital was organized in association with Aditya Jyot Eye Hospital. More than 170 employees had their vision checked and 40 pledged their eyes.

Diwali Celebration, 2011

On 25th October, 2011, your Company celebrated the auspicious festival of Diwali.

An "On Site" Drive where exhibition cum sale of Diwali Products was organized at office premises. The exhibition was put up by "Pratham Books" and "World Vision India". The employees participated in the CSO activities and brought a smile on many needy faces.

On the same day, The HR organized traditional day where employees were invited to come in their traditional best outfits. *Rangoli* Competition on the theme "Lights and Lamps" using materials like flowers and leaves, stationary and newspapers or pulses and grains was also organised.

Juniors' Day Celebration and Christmas Fest, 2011

Juniors' Day Celebration and Christmas Fest were organized on 30th December 2011 with a view to enhance pride, a sense of belonging and family bonding among employees across the Organisation.

As a part of the celebrations, Juniors were asked to submit art work or painting on Christmas/New Year Theme prior to the event. This was showcased in Little Michelangelo Exhibition Gallery in cafeteria.

Magic show and balloon sculpting workshop was held during the event. Tattoo corner, Sketching corner, Beads corner and Lucky corner added a special sparkle to the event.

Navneet held a Books Exhibition of its latest children's Books, Games and Craft models at the venue.

Women's Day, 2012

On the occasion of International Women's day, your Company had organized a Women's day event to celebrate the indomitable spirit of a Woman.

As a part of the celebration a card, gift and chocolate was kept at the desk of each and every woman before the start of office hours to make them feel special. When they switched on their computer an e-card flashed on their screens wishing them a Happy Woman's Day. This small gesture has received huge appreciation from all women employees.

The women employees assembled at the celebration venue in the evening. The celebration commenced with "The Complete Woman" Contest.

JOSH, 2012

With great pride, we announced JOSH 2012 our Annual Sportz Meet, wherein more than 1000 employees of your Company and its group ventures participated.

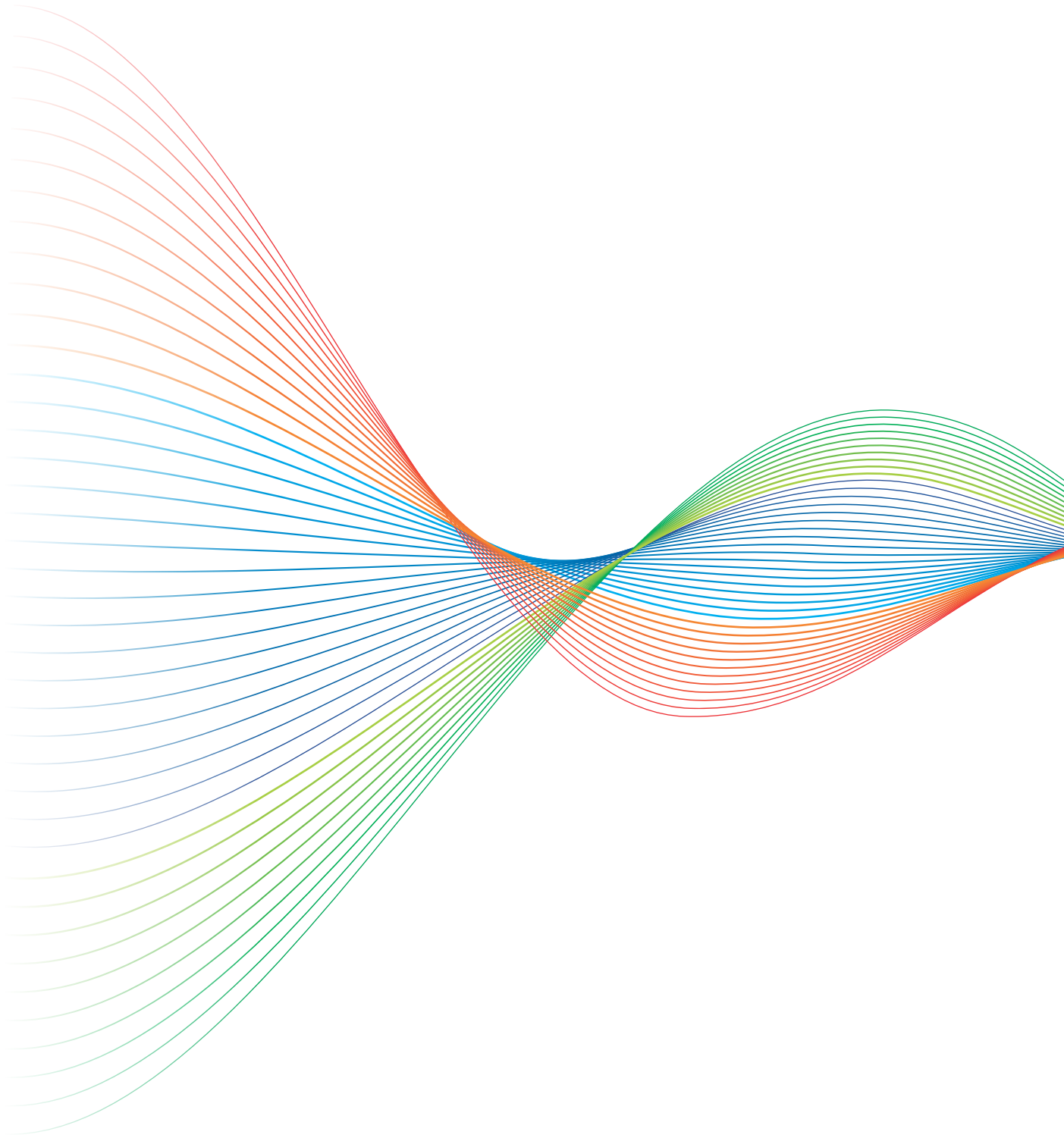
JOSH 2012 was inaugurated on 20th March, 2012. The event commenced with indoor games such as carrom, chess, table tennis, badminton followed by outdoor games such as cricket, track & field games, etc.

All matches were judged by state level experts arranged by our event partner Sportz consultant.

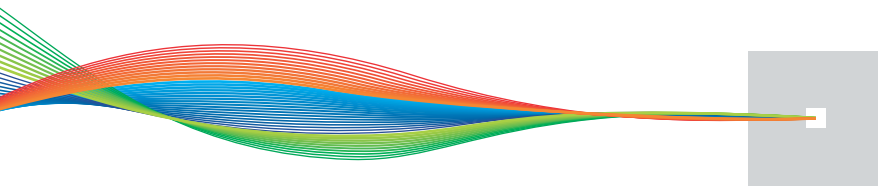
Appreciation

Your Company's constant efforts aimed at betterment of employees have been well recognized. Listed below are some HR Awards won during the year under review:

- In the 22nd IOD Annual Day, on Friday 19th August 2011 Hon'ble Shri Salman Khurshid, Union Minister for Law & Justice, presented FTIL the Golden Peacock HR Excellence Award 2011
- In the corporate photography festival of STILLS 2011, your Company won the top Corporate Award for maximum employee participation and for executing the 'Most Innovative Marketing Plan' to promote STILLS 2011 within our organization



Financials



Diverse | Unique
Numbers. | Information.

Standalone Financial Statements

AUDITORS' REPORT

TO THE MEMBERS OF FINANCIAL TECHNOLOGIES (INDIA) LIMITED

1. We have audited the attached Balance Sheet of **FINANCIAL TECHNOLOGIES (INDIA) LIMITED** ("the Company") as at 31st March, 2012, the Statement of Profit and Loss and the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. Without qualifying our opinion, we continue to draw attention to: (a) Note 39 to the financial statements regarding investments made in certain subsidiaries and a joint venture which have accumulated losses and the loans and advances / receivables from these entities, where the provision made for diminution, other than temporary, in the value of investments is considered to be adequate, for the reasons stated in the said Note; and (b) Note 42 to the financial statements regarding the Company's stand that no tax liability is expected as a consequence to a court approved reduction-cum arrangement scheme of MCX Stock Exchange Limited based on independent legal / tax counsel's opinion obtained by the Company as stated in the said Note.
4. As required by the Companies (Auditor's Report) Order, 2003 (CARO) issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
5. Further to our comments in the Annexure referred to in paragraph 4 above and read with paragraph 3 above, we report that:
 - (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
 - (e) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
 - (ii) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
6. On the basis of written representations received from the Directors as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

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

Rajesh K Hiranandani
Partner
(Membership No. 36920)

ANNEXURE TO THE AUDITORS' REPORT (REFERRED TO IN PARAGRAPH 4 OF OUR REPORT OF EVEN DATE)

- i) Having regard to the nature of the Company's business / activities / result, clauses (vi), (viii), (x), (xii), (xiii), (xviii) and (xix) of CARO are not applicable.
- ii) According to the information and explanations given to us, in respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- iii) According to the information and explanations given to us, the Company does not have any inventories as at the balance sheet date since they are being directly delivered to the customers on procurement and therefore, the question of reporting on whether: physical verification has been carried out at reasonable intervals; procedures of physical verification of inventories were reasonable and adequate; and discrepancies noticed on physical verification were material, does not arise. On the basis of our examination, in our opinion, the Company has maintained proper records of its inventories.
- iv) The Company has neither granted nor taken any loans, secured or unsecured, to / from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956.
- v) In our opinion and according to the information and explanations given to us and having regard to the nature of the Company's business, a comparison of prices is not possible, in respect of income from software products and software services and in respect of some of the items purchased being of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and income from software products and software services. During the course of our audit, we have not observed any major weakness in such internal control system.
- vi) In our opinion and according to the information and explanations given to us, there are no contracts or arrangements that need to be entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956.
- vii) In our opinion, the internal audit function carried out during the year by a firm of Chartered Accountants appointed by the Management have been commensurate with the size of the Company and the nature of its business.
- viii) According to the information and explanations given to us in respect of statutory dues:
 - a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues applicable to it with the appropriate authorities.
 - b) There were no undisputed amounts payable in respect of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues in arrears as at 31st March, 2012 for a period of more than six months from the date they became payable.

ANNEXURE TO THE AUDITORS' REPORT

(REFERRED TO IN PARAGRAPH 4 OF OUR REPORT OF EVEN DATE)

- c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty and Excise Duty which have not been deposited as on 31st March, 2012 on account of any dispute are given below:

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (₹ lacs)
Finance Act, 1994	Service Tax	Commissioner of Service Tax	9 th July, 2004 to 6 th October, 2005; and December, 2004 to March, 2007	244.50
Central Excise Act, 1944	Excise duty (including interest and penalty)	Central Excise and Service Tax Appellate Tribunal	1 st March, 2006 to 20 th December, 2006	184.88
Maharashtra Value Added Tax Act, 2002	Value Added Tax (including interest and penalty)	Joint Commissioner of Sales Tax (Appeal)	2005-2006 to 2008-2009	65.17
Central Sales Tax Act, 1956	Central Sales Tax	Joint Commissioner of Sales Tax (Appeal)	2006-2007	3.12
Income - tax, Act, 1961	Income-tax	Commissioner of Income Tax (Appeals)	Assessment years: 2002-2003 and 2006-2007	6.14

- ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks.
- x) Based on our examination of the records and evaluation of the related internal controls, the Company has maintained proper records of the transactions and contracts in respect of its dealing in shares, securities, debentures and other investments and timely entries have been made therein. The aforesaid securities have been held by the Company in its own name.
- xi) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by its subsidiary companies from banks, are not prima facie prejudicial to the interests of the Company.
- xii) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained, other than temporary deployment pending application.
- xiii) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short term basis have not, prima facie, been used during the year for long-term investment.
- xiv) The Management has disclosed in Note 37 to the financial statements, the end use of money raised by public issue of Zero Coupon Convertible Bonds and we have verified the same.
- xv) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS

Chartered Accountants
(Registration No: 117366W)

Rajesh K Hiranandani
Partner
(Membership No. 36920)

MUMBAI, 30th May, 2012

Balance Sheet

as at 31st March 2012

	Note No.	As at 31.03.2012	As at 31.03.2011 (₹ lacs)
I. EQUITY AND LIABILITIES			
1) Shareholders' funds:			
a) Share capital	3	921.57	921.57
b) Reserves and surplus	4	244,561.57	205,124.86
		245,483.14	206,046.43
2) Non-current liabilities:			
(a) Long-term borrowings	5	56,272.15	-
(b) Deferred tax liabilities (net)	6	1,373.33	1,201.54
(c) Other long term liabilities	7	15.15	188.58
(d) Long-term provisions	8	1,457.17	525.50
		59,117.80	1,915.62
3) Current liabilities:			
(a) Trade payables	9	2,900.07	2,005.55
(b) Other current liabilities	10	16,631.82	46,859.67
(c) Short-term provisions	11	1,542.35	19,281.20
		21,074.24	68,146.42
TOTAL		325,675.18	276,108.47
II. ASSETS			
1) Non-current assets			
(a) Fixed assets:			
(i) Tangible assets	12	44,303.58	37,542.53
(ii) Intangible assets		2,669.72	1,144.56
(iii) Capital work-in-progress		79.12	2,020.87
		47,052.42	40,707.96
(b) Non-current investments	13	82,198.15	109,706.87
(c) Long-term loans and advances	14	22,133.16	18,787.51
(d) Other non-current assets	15	4,502.28	5.88
		155,886.01	169,208.22
2) Current assets			
(a) Current investments	16	91,605.70	75,336.96
(b) Trade receivables	17	3,628.93	3,187.34
(c) Cash and cash equivalents	18	39,900.83	14,756.11
(d) Short-term loans and advances	19	31,916.57	11,747.70
(e) Other current assets	20	2,737.14	1,872.14
		169,789.17	106,900.25
TOTAL		325,675.18	276,108.47
See accompanying notes forming part of the financial statements	1 to 49		

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

Rajesh K Hiranandani
Partner

Place : Mumbai
Date : 30th May, 2012

For and on behalf of the Board.

Jignesh Shah
Chairman & Managing Director

Chandrakant Kamdar
Director

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

Place : Mumbai
Date : 30th May, 2012

Statement of Profit and Loss

for the year ended 31st March, 2012

	Note No.	Year ended 31.03.2012	Year ended 31.03.2011 (₹ lacs)
Revenue from operations (gross)	21	42,554.81	35,768.45
Other income	22	36,885.89	14,206.63
Total revenue		79,440.70	49,975.08
Expenses			
Purchases of stock-in-trade	23	281.34	280.53
Employee benefits expense	24	11,248.10	11,540.32
Finance costs	25	3,044.23	70.34
Depreciation and amortisation expenses	26	1,730.10	1,108.91
Other expenses	27	10,191.59	10,886.38
Total expenses		26,495.36	23,886.48
Profit before exceptional item and tax		52,945.34	26,088.60
Exceptional item (Refer Note 32)		-	20,916.50
Profit before tax		52,945.34	5,172.10
Tax expense / (credit)			
(a) Current tax expense for current year		10,133.02	2,290.27
(b) Less: MAT credit		(6,276.00)	-
(c) Current tax expense relating to prior years		1,113.60	201.03
(d) Tax effect on exceptional item (Refer Note 32)		-	(7,109.52)
(e) Net current tax expense / (credit)		4,970.62	(4,618.22)
(f) Deferred Tax		171.79	596.85
		5,142.41	(4,021.37)
Profit for the year		47,802.93	9,193.47
Earnings per share:	38		
Basic and diluted per share (in ₹)		103.74	19.95
Face Value Per Share (in ₹)		2	2
See accompanying notes forming part of the financial statements	1 to 49		

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

Rajesh K Hiranandani
Partner

Place : Mumbai
Date : 30th May, 2012

For and on behalf of the Board.

Jignesh Shah
Chairman & Managing Director

Chandrakant Kamdar
Director

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

Place : Mumbai
Date : 30th May, 2012

Cash Flow Statement

for the year ended 31st March, 2012

	Year Ended 31.03.2012		Year Ended 31.03.2011	
	(₹ lacs)			
A. Cash flow from operating activities				
Net profit before tax		52,945.34		5,172.10
Adjustments for:				
Depreciation and amortisation expenses	1,730.10		1,108.91	
Profit on sale of investments (net)	(26,891.35)		(6,935.30)	
Loss on disposal / write off of fixed assets (net)	43.88		104.53	
Exceptional item (Refer Note 32)	-		20,916.50	
Reversal of write down in value of current investments (net)	(12.64)		(50.37)	
Loss on sale / redemption / reduction in shares in subsidiary companies (net)	3,882.35		-	
Provision for other than temporary diminution in value of long term investments in subsidiaries	-		3,210.00	
Bad trade receivables / advances written off and provision for doubtful trade receivable / advances (net)	37.68		229.77	
Dividend income	(5,025.16)		(4,486.58)	
Finance costs	3,043.77		-	
Exchange rate fluctuations (gain) / loss	2,051.56		(771.10)	
Interest income	(1,957.24)	(23,097.05)	(1,649.85)	11,676.51
Operating profit before working capital changes		29,848.29		16,848.61
Changes in working capital:				
Trade and other receivables	(855.46)		3,142.69	
Trade payables and provisions	10,993.97	10,138.51	569.79	3,712.48
Cash generated from operations		39,986.80		20,561.09
Net Income Tax paid		(5,782.71)		(4,169.28)
Net cash flow from operating activities		34,204.09		16,391.81
B. Cash flow from investing activities				
Capital expenditure on fixed assets including capital advances		(3,900.65)		(21,268.13)
Proceeds from sale of fixed assets		38.12		3,452.74
Proceeds on sale / redemption / reduction in shares in subsidiary companies (net of expenses)		50,684.07		-
Purchase of investments in subsidiaries		(17,046.62)		(5,092.35)
Purchase of Investments in associate		-		(4.90)
Proceeds from partial sale of stake in associates (net of expenses) (Refer Note 40)		25,193.63		2,098.93
Payment to financial institution on exercise of right to reset price of investment in shares sold (Refer Note 32)		-		(20,916.50)
Purchases of investments - others		(315,128.47)		(350,542.78)
Proceeds from sale of investments - others		293,069.91		371,440.80
(Increase) / decrease in fixed deposit with banks having maturity more than 3 months		4,633.73		(2,277.36)
Interest income		2,114.98		1,381.87
Loans and advances to related parties		(19,638.60)		(2,593.84)
Dividend income		5,062.12		4,449.61
Net cash generated from / (used in) investing activities		25,082.22		(19,871.91)
Net income tax paid		(3,522.59)		(641.36)
Net cash flow from / (used in) investing activities		21,559.63		(20,513.27)

Cash Flow Statement

for the year ended 31st March, 2012

	Year Ended 31.03.2012	Year Ended 31.03.2011
(₹ lacs)		
C. Cash flow from financing activities		
Repayment of Zero Coupon Convertible Bonds including premium on redemption and withholding tax thereon	(71,662.68)	-
Proceeds from External Commercial Borrowings	51,178.88	-
Dividend paid during the year including dividend tax	(4,277.09)	(4,289.65)
Finance costs	(3,638.02)	-
Net cash used in financing activities	(28,398.91)	(4,289.65)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	27,364.82	(8,411.11)
Cash and cash equivalents (opening balance)	6,869.86	15,280.97
Cash and cash equivalents (closing balance)	34,234.68	6,869.86

Notes to cash flow statement:

	Current Year	Previous Year
(₹ lacs)		
1 Cash and Cash equivalents	34,234.68	6,869.86
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	2,336.25	(77.38)
Cash and cash equivalents (Refer Note 18)	36,570.93	6,792.48
2. Loans and advances to related parties are considered as part of investing activities and are net of repayments.		
3. Fixed deposits with banks with maturity period of more than three months are classified and grouped in investing activities and not included in cash and cash equivalents.		
4. Cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard (AS 3) "Cash Flow Statement".		
5. Previous Years figures have been regrouped / rearranged wherever necessary to correspond with the figures of the current year.		

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

Rajesh K Hiranandani
Partner

Place : Mumbai
Date : 30th May, 2012

For and on behalf of the Board.

Jignesh Shah
Chairman & Managing Director

Chandrakant Kamdar
Director

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

Place : Mumbai
Date : 30th May, 2012

Notes

forming part of the financial statements for the year ended 31st March, 2012

1. GENERAL INFORMATION:

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

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

2. SIGNIFICANT ACCOUNTING POLICIES:

A. Basis of preparation of financial statements

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

B. Use of estimates

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

C. Fixed assets (tangible assets)

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

D. Intangible assets

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

E. Operating leases

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

F. Depreciation and amortisation

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

Assets	Estimated useful life
Leasehold improvements to premises	Period of lease
Premium on leasehold land	Period of lease
Patent and Trademarks	8 years
Technical know-how and computer software	6 years

G. Investments

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

Notes

forming part of the financial statements for the year ended 31st March, 2012

H. Revenue recognition

Revenue is recognised when no significant uncertainty as to determination and realisation exists. Sales include sale of products (IPR based licenses), services (project based contracts) and traded goods.

Revenue from sale of licenses for the use of software applications is recognised on delivery / granting of right to use.

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

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

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

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

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

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

I. Foreign currency transactions and translation

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

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

- i. Exchange differences arising during the year, in so far as they relate to the acquisition of a depreciable capital asset are added to / deducted from the cost of the asset and depreciated over the balance life of the asset.
- ii. In other cases, such differences are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortised to the statement of profit and loss over the balance life of the long-term monetary item (until previous year, the period of amortisation beyond 31st March, 2011 was not permitted) (Refer Note 31 below).

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

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

Foreign branches :

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

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

J. Derivative instruments

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

K. Employee Benefits

a) Post employment benefits and other long term benefits

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

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

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assets. Any asset resulting from this calculation is limited to the present value of the available refunds and reduction in contributions to the scheme.

b) Short term employee benefits

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

L. Borrowing costs

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

M. Income taxes

Income taxes are accounted for in accordance with Accounting Standard (AS-22) "Accounting for Taxes on Income". Tax expense comprises current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income-Tax Act, 1961. The Company recognises deferred tax (subject to consideration of prudence) based on the tax effect of timing differences, being differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the statement of profit and loss using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are not recognised on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

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

N. Stock based compensation

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

O. Impairment of assets

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

P. Provisions, contingent liabilities and contingent assets

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

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3. SHARE CAPITAL	As at 31.03.2012		As at 31.03.2011	
	Number of shares	₹ lacs	Number of shares	₹ lacs
Authorised:	150,000,000	3,000.00	150,000,000	3,000.00
Equity shares of ₹ 2/- each				
Issued, subscribed and fully paid up	46,078,537	921.57	46,078,537	921.57
Equity shares of ₹ 2/-each				
TOTAL	46,078,537	921.57	46,078,537	921.57

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

- 321,030 (Previous Year 406,790) Equity shares of ₹ 2/- each fully paid-up to the employees under employee stock option ('ESOP') schemes.
- 1,662,811 (Previous Year 1,662,811) Equity shares of ₹ 2/- each fully paid-up against Global Depository Receipts ('GDR') issued by the Company.

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

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

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

	As at 31.03.2012		As at 31.03.2011	
	Number of Equity Shares held	% Holding	Number of Equity Shares held	% Holding
La-fin Financial Services Private Limited	12,329,968	26.76	12,191,418	26.46
Jignesh P. Shah	8,329,585	18.08	8,329,585	18.08
Ravi K. Sheth	2,489,762	5.40	2,492,854	5.41
Reliance Capital Trustee Company Limited *	2,643,339	5.74	2,141,000	4.65
Elliot & Page Limited *	2,619,632	5.69	2,311,249	5.02

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

d) For particulars of options on unissued capital under employee stock option schemes, Refer Note 45.

4. RESERVES AND SURPLUS	As at 31.03.2012	As at 31.03.2011
		(₹ lacs)
Capital Reserve		
Balance as per last Balance Sheet	147.59	147.59
Securities Premium Account		
Balance as per last Balance Sheet	45,824.64	48,850.31
Less: Premium on redemption of Zero Coupon Convertible Bonds (ZCCBs) [net of tax of ₹ 1,959.03 lacs (Previous Year ₹ 1,505.13 lacs)]	(4,078.03)	(3,025.67)
	41,746.61	45,824.64
General Reserve		
Balance as per last Balance Sheet	17,900.15	16,660.15
Add: Transferred from Statement of Profit and Loss	5,260.00	1,240.00
	23,160.15	17,900.15
Foreign Currency Translation Reserve		
Balance as per last Balance Sheet	(2.38)	(6.16)
(Less) / Add: Effect of foreign exchange rate variation during the year	(3.90)	3.78
	(6.28)	(2.38)

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	As at 31.03.2012	As at 31.03.2011 (₹ lacs)
Surplus in Statement of Profit and Loss		
Balance as per last Balance Sheet	141,254.86	137,592.80
Profit for the year	47,802.93	9,193.47
Less: Appropriations		
Interim Dividend [₹ 6/- per share (Previous Year ₹ 6/- per share)]	2,764.71	2,764.71
Final Dividend (Proposed) [₹ 2/- per share (Previous Year ₹ 2/- per share)]	921.57	921.57
Tax on Dividend	598.01	605.13
Transfer to General Reserve	5,260.00	1,240.00
Total Appropriations	9,544.29	5,531.41
Net surplus in Statement of Profit and Loss	179,513.50	141,254.86
TOTAL	244,561.57	205,124.86
5. LONG-TERM BORROWINGS		
Unsecured term loans from banks		
External commercial borrowings in foreign currency	56,272.15	-
TOTAL	56,272.15	-
During the year, the Company has availed three foreign currency term loans viz. external commercial borrowings aggregating USD 110 million (equivalent to ₹ 56,272.15 lacs as at 31 st March, 2012). Loans of USD 35 million and USD 50 million are repayable in three annual installments (first two installments of 33.33% each and last installments of 33.34%) starting from April 2015 and June 2015 respectively. These loans carry interest at rate of applicable quarterly LIBOR plus margin of 3.5% p.a. Balance loan of USD 25 million availed, is repayable in nine semi-annual installments (first eight installments of 11% each and last installments of 12%) starting from December 2014. This loan carries interest at rate of applicable quarterly LIBOR plus margin of 5% p.a.		
6. DEFERRED TAX LIABILITIES (NET)		
a) Deferred tax liability		
Depreciation	1,486.79	999.46
Unamortised ancillary borrowing costs	576.71	-
Foreign exchange difference related to investments	-	905.51
	2,063.50	1,904.97
b) Deferred tax asset		
Provision for trade receivables, advances etc	118.29	138.81
Diminution in the value of current investments	-	9.30
Provision for compensated absences and gratuity	296.77	280.21
Tax effect on withholding Tax on ZCCBs Premium adjusted against securities premium amount to be claimed in tax	275.11	275.11
Net deferred tax liability	690.17	703.43
TOTAL	1,373.33	1,201.54
7. OTHER LONG-TERM LIABILITIES		
Income received in advance / unearned revenue	15.15	188.58
TOTAL	15.15	188.58
8. LONG-TERM PROVISIONS		
Provision for employee benefits		
Compensated absences	506.18	525.50
Other provisions		
Provision for estimated loss on interest rate swap contracts	950.99	-
TOTAL	1,457.17	525.50

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9. TRADE PAYABLES	As at 31.03.2012	As at 31.03.2011 (₹ lacs)
Other than acceptances		
Dues to micro and small enterprises	3.53	-
Others	2,896.54	2,005.55
TOTAL	2,900.07	2,005.55
Micro and Small enterprises have been identified to the extent replies to the Company's communication have been received from vendors / suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. There is no additional disclosure required to be made in this regard except for principal amount remaining unpaid ₹ 3.53 lacs (Previous Year ₹ Nil) as on 31 st March, 2012.		
10. OTHER CURRENT LIABILITIES		
Current maturities of unsecured long - term Zero Coupon Convertible Bonds (ZCCBs) in foreign currency (Refer Note 37)	-	40,408.25
Interest accrued but not due on borrowings	271.41	-
Income received in advance / unearned revenue)	3,820.33	2,635.92
Unclaimed dividend*	71.06	63.86
Other payables		
Statutory remittances	230.79	627.88
Payables on purchase of fixed assets	433.52	634.83
Contractually reimbursable expenses	-	145.50
Advances from customers	11,172.71	1,619.03
Other advances	25.27	111.92
Security deposits	606.73	606.73
Others	-	5.75
TOTAL	16,631.82	46,859.67
*No amount due and outstanding to be credited to Investor Education and Protection Fund		
11. SHORT-TERM PROVISIONS		
Provision for employee benefits		
Compensated absences	218.31	193.52
Gratuity (Refer Note 46)	226.40	181.85
	444.71	375.37
Other provisions		
For taxation (net of advance tax there against)	26.57	135.66
For premium on redemption of ZCCBs (Refer Note 37)	-	17,699.10
Proposed dividend (including tax)	1,071.07	1,071.07
	1,097.64	18,905.83
TOTAL	1,542.35	19,281.20

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12. FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK		
	Cost as at 01.04.2011	Additions during the year	Effect of foreign currency differences	Deletion/ Adjustments	Cost as at 31.03.2012	Upto 31.03.2011	For the year	Deletions/ Adjustments	Upto 31.03.2012	As at 31.03.2012	As at 31.03.2011
(A) Tangible Assets											
Freehold Land	4,666.60	-	-	-	4,666.60	-	-	-	-	4,666.60	4,666.60
Leasehold Land	686.75	-	130.23	-	816.98	36.54	8.21	-	44.75	772.23	650.21
Buildings	25,046.98*	1,403.82	2,670.03	-	29,120.83	176.16	435.19	-	611.35	28,509.48	24,870.82
Improvement to Leasehold Premises	431.36	-	-	-	431.36	125.92	129.28	-	255.20	176.16	305.44
Office Equipments	2,511.48	2,236.71	-	117.90	4,630.29	114.39*	184.21	59.04	239.56	4,390.73	2,397.09
Computer Hardware	1,937.31	147.75	-	53.35	2,031.71	839.94	294.43	44.60	1,089.77	941.94	1,097.37
Furniture and Fixtures	3,482.89	1,426.10	-	97.99	4,811.00	158.51*	259.97	97.42	321.06	4,489.94	3,324.38
Vehicles	296.20	177.95	-	20.98	453.17	65.58	38.24	7.15	96.66	356.50	230.62
TOTAL	39,059.57	5,392.33	2,800.26	290.22	46,961.94	1,517.04	1,349.53	208.21	2,658.36	44,303.58	37,542.53
Previous Year	8,554.03	31,037.75	466.96	999.17	39,059.57	1,267.15	808.62	558.73	1,517.04	37,542.53	
(B) Intangible Assets (Other than internally generated)											
Trade Mark	5.95	1.00	-	-	6.95	3.83	0.56	-	4.39	2.56	2.12
Technical Knowhow	6.33	-	-	-	6.33	6.33	-	-	6.33	-	-
Computer Software	1,772.80	1,904.73	-	-	3,677.53	630.36	380.01	-	1,010.37	2,667.16	1,142.44
TOTAL	1,785.08	1,905.73	-	-	3,690.81	640.52	380.57	-	1,021.09	2,669.72	1,144.56
Previous Year	1,862.65	30.20	-	107.77	1,785.08	410.60	300.29	70.37	640.52	1,144.56	2,020.87
Capital Work-in-Progress											
TOTAL										47,052.42	40,707.96

* Includes provision for impairment of fixed assets ₹ 104.61 lacs (Office Equipment ₹ 33.06 lacs and Furniture and Fixtures ₹ 71.55 lacs), adjusted against loss on disposal / write off of fixed assets (net) during the year.
Buildings include ₹ 843.18 lacs (Previous Year ₹ 843.18 lacs) on long term lease of 95 years.

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13. NON - CURRENT INVESTMENTS	As at 31.03.2012	As at 31.03.2011 (₹ lacs)
Long-term Investments (fully paid up, valued at cost unless stated otherwise)		
A) Trade investments (Unquoted):		
a) In equity shares of subsidiary companies:		
1. 6,040,000 (Previous Year 6,040,000) Equity shares of ₹ 10/- each in IBS Forex Limited [at cost less provision for other than temporary diminution in value ₹ 136.26 lacs (Previous Year ₹ 136.26 lacs)]	467.74	467.74
2. 4,042,500 (Previous Year 70,000,000) Equity shares of ₹ 10/- each in Tickerplant Limited [at cost less provision for other than temporary diminution in value ₹ Nil (Previous Year ₹ 4,869.00 lacs)] (Refer Note 41)	404.25	2,131.00
3. 44,999,900 (Previous Year 44,999,900) Equity shares of ₹ 10/- each in National Spot Exchange Limited	4,499.99	4,499.99
4. 28,137,063 (Previous Year 331,175,000) Equity shares of ₹ 1/- each in Atom Technologies Limited [at cost less provision for other than temporary diminution in value ₹ Nil (Previous Year ₹ 1,194.00 lacs)] (Refer Notes 41)	281.37	2,711.75
5. Nil (Previous Year 66,000) Equity shares of AED 1000/- each in Financial Technologies Middle East DMCC [at cost less provision for other than temporary diminution in value ₹ Nil (Previous Year ₹ 1,100.00 lacs)]	-	6,574.56
6. 76,000,000 (Previous Year 76,000,000) Equity shares of ₹ 10/- each in National Bulk Handling Corporation Limited	8,221.15	8,217.18
7. 1,000,000 (Previous Year 1,000,000) Equity shares of ₹ 10/- each in Global Payment Networks Limited	100.00	100.00
8. 50,000 (Previous Year 50,000) Equity shares of ₹ 10/- each in Financial Technologies Communications Limited	5.00	5.00
9. 60,002 (Previous Year 60,002) Ordinary shares of USD 1/- each in FT Group Investments Pvt Limited	24.87	24.87
10. 10,002 (Previous Year 10,002) Ordinary shares of USD 1/- each in Knowledge Assets Private Limited	3.98	3.98
11. Nil (Previous Year 10,000,000) Ordinary shares of USD 0.1/- each in Global Board of Trade Limited.	-	446.54
12. 3,750,000 (Previous Year 3,750,000) Equity shares of ₹ 10/- each in FT Knowledge Management Limited [at cost less provision for other than temporary diminution in value ₹ 181.00 lacs (Previous Year ₹ 181.00 lacs)]	194.00	194.00
13. 50,000 (Previous Year 50,000) equity share of ₹ 10/- each in Takshashila Academia of Economic Research Limited	5.00	5.00
14. 50,000 (Previous Year 50,000) equity share of ₹ 10/- each in Boursa India Limited	5.00	5.00
15. 111,600,001 (Previous Year 87,600,001) Ordinary shares of SGD 1/- each in Financial Technologies Singapore PTE Limited.	36,874.36	27,839.02
16. 5,000 (Previous Year 5,000) Ordinary shares of MUR 1/- each in Financial Technologies Projects Pvt. Limited	0.08	0.08
	51,086.79	53,225.71
b) In equity shares of a joint venture company:		
1,900 (Previous Year 1,900) Class B shares of USD 1,000/- each in Dubai Gold and Commodities Exchange DMCC	828.78	828.78
c) In equity shares of associate companies:		
1. Nil (Previous Year 13,259,575) Equity shares of ₹ 10/- each in Multi Commodity Exchange of India Limited (Refer Note 40) *Classified as quoted investment during the year	- *	1,060.77
2. 9,140,302 (Previous Year 9,140,302) Equity shares of ₹ 10/- each in Indian Energy Exchange Limited	914.03	914.03
3. 5,750,000 (Previous Year 5,750,000) Equity shares of ₹ 10/- each in MCX SX Clearing Corporation Limited	575.00	575.00
4. 49,000 (Previous Year Nil) Equity shares of ₹ 10/- each in SME Exchange of India Ltd.	4.90	-
	1,493.93	2,549.80
d) In equity shares of other companies:		
1. 1,496,500 (Previous Year 1,496,500) Equity shares of ₹ 1/- each in Delhi Stock Exchange Limited	1,047.55	1,047.55

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	As at 31.03.2012	As at 31.03.2011 (₹ lacs)
2. 10,000 (Previous Year 10,000) Equity shares of ₹ 10/- each in National Stock Exchange of India Limited	278.47	278.47
3. 27,165,000 (Previous Year 27,165,000) Equity shares of ₹ 1/- each in MCX Stock Exchange Limited (Refer Note 42)	271.65	271.65
4. 290,000 (Previous Year 290,000) Equity shares of ₹ 10/- each in Vadodara Stock Exchange Limited	134.85	134.85
	1,732.52	1,732.52
e) In Optionally Convertible Preference shares of Subsidiary Companies:		
1. Nil (Previous Year 390,000,000) 5% Optionally Convertible Preference shares of USD 0.1/- each in Global Board of Trade Limited.	-	17,786.44
2. 15,000,000 (Previous Year 50,000,000) 5% Optionally Convertible Preference shares of USD 1/- each in FT Group Investments Pvt. Limited.	6,904.50	23,015.00
	6,904.50	40,801.44
f) In warrants of other company:		
562,460,000 (Previous Year 562,460,000) Warrants of ₹ 1/- each of MCX Stock Exchange Limited (Refer Note 42)	5,624.60	5,624.60
Total trade investments - Unquoted (A)	67,671.12	104,762.85
B) Trade Investments (Quoted):		
In equity shares of an associate company:		
13,259,575 (Previous Year Nil) Equity shares of ₹ 10/- each in Multi Commodity Exchange of India Limited (Refer Note 40)	1,060.77*	-
*Classified as quoted investment during the year		
Total trade investments - Quoted (B)	1,060.77	-
C) Other than Trade (Unquoted):		
a) In equity shares of subsidiary companies:		
1. 7,000,000 (Previous Year 7,000,000) Equity shares of ₹ 10/- each in Riskraft Consulting Limited [at cost less provision for other than temporary diminution in value ₹ 634.00 lacs (Previous Year ₹ 634.00 lacs)]	66.00	66.00
2. 50,000 (Previous Year 50,000) Equity shares of ₹ 10/- each in Trans-Global Credit and Finance Limited	5.00	5.00
3. 90 (Previous Year 90) Equity Shares of Rand 1/- each in ICX Platform (Pty) Limited [at cost less provision for other than temporary diminution in value ₹ 273.00 lacs (Previous Year ₹ 273.00 lacs)]	226.13	226.13
4. 5,249,900 (Previous Year 5,249,900) Equity shares of ₹ 10/- each in Credit Market Services Pvt. Limited [at cost less provision for other than temporary diminution in value ₹ 513.00 lacs (Previous Year ₹ 513.00 lacs)]	11.99	11.99
5. 4,313,845 (Previous Year 4,313,845) Equity shares of ₹ 10/- each in Apian Finance & Investment Limited	549.74	549.74
6. 50,000 (Previous Year 50,000) Ordinary shares of ₹ 10/- each in FT Projects Limited	5.00	5.00
	863.86	863.86
b) In bonds:		
150 (Previous Year 150) Units of ₹ 10,00,000/- each of 9.5% IndusInd Bank Limited-Tier II Bonds Issue (Series XIV)	1,500.00	1,500.00
c) In trust securities:		
97 (Previous Year 52) Class A units of ₹ 100,000/- each towards capital contribution of India Venture Trust- Fund I	97.00	52.00
d) In Government Securities:		
National Savings Certificate- VIII Issue (deposited with sales tax authorities)	0.20	0.20
e) In units of mutual funds (Unquoted):		
1. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Birla Sun Life Fixed Term Plan Series EV Growth (391 Days)	500.00	-
2. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Birla Sun Life Fixed Term Plan Series ES - Growth 393 days	500.00	-

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	As at 31.03.2012	As at 31.03.2011 (₹ lacs)
3. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of DSP BlackRock FMP - Series 38 (12.5M) Growth	500.00	-
4. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of DWS Fixed Maturity Plan - Series 6 (394 days) Growth Plan	500.00	-
5. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of HDFC FMP 400D February 2012(1) - Growth - Series XXI	500.00	-
6. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of ICICI Prudential FMP Series 63 -376 Days Plan J Cumulative	500.00	-
7. 10,000,000.00 (Previous Year Nil) units of ₹ 10/- each of L&T FMP-V (March 395DA) - Growth	1,000.00	-
8. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of L&T FMP-VI (March 371 DA) - Growth	500.00	-
9. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Reliance Fixed Horizon Fund - XXI-Series 18 - Growth Plan (383 Days)	500.00	-
10. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Reliance Fixed Horizon Fund- XXI Series 11 -Growth Plan	500.00	-
11. 10,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Religare Fixed Maturity Plan - Series XIII Plan F (385 days) - Growth	1,000.00	-
12. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Religare Fixed Maturity Plan - Series XIV Plan A (373 days) Growth	500.00	-
13. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Religare Fixed Maturity Plan - Series XIII Plan D Growth	500.00	-
14. 10,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Religare Fixed Maturity Plan Series XIII Plan C (13 months) - Growth	1,000.00	-
15. Nil (Previous Year 5,227,822.62) units of ₹ 10/- each of Sundaram Interval Fund Quarterly - Plan A Institutional Dividend	-	522.76
16. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Taurus Fixed Maturity Plan 397 Days Series O - Growth Plan	500.00	-
	9,000.00	522.76
Total of other than trade - Unquoted (C)	11,461.06	2,938.82
D) Other than Trade (Quoted):		
In bonds:		
2,000 (Previous Year 2,000) Non Convertible 6.85% IIFCL 2014 Tax Free Series II Bonds of ₹ 100,000/- each	2,005.20	2,005.20
Total of other than trade - Quoted (D)	2,005.20	2,005.20
Total Non - current investments (A+B+C+D)	82,198.15	109,706.87
Aggregate amount of Quoted investments	3,065.97	2,005.20
Aggregate market value of listed and Quoted investments	170,369.45	2,247.25
Aggregate amount of Unquoted investments (net of other than temporary diminution)	79,132.18	107,701.67
Aggregate provision for other than temporary diminution in the value of long-term investments	1,737.26	8,900.26
14. LONG-TERM LOANS AND ADVANCES		
Unsecured, considered good		
Capital advances	42.62	1,745.58
Security deposits	257.23	816.85
Loans and advances to related parties (Refer Note 43)	-	900.00
Loans and advances to employees	643.08	276.53
Prepaid Expenses	24.43	67.31
Balances with government authorities	31.05	31.05
Taxes paid less provision there against including fringe benefit tax (other than deferred tax)	12,387.56	12,478.99
MAT credit entitlement	8,747.20	2,471.20
TOTAL	22,133.16	18,787.51

Notes

forming part of the financial statements for the year ended 31st March, 2012

	As at 31.03.2012	As at 31.03.2011 (₹ lacs)
15. OTHER NON-CURRENT ASSETS		
Unamortised ancillary borrowing costs	1,347.86	-
Deposits with banks (under lien with banks against bank guarantees)	0.98	0.98
Share application money paid for investment in an associate company	-	4.90
Foreign currency monetary item translation difference account (FCMITDA) (Refer Note 31)	3,153.44	-
	<u>4,502.28</u>	<u>5.88</u>
16. CURRENT INVESTMENTS		
A) Current portion of long-term investments (at cost):		
a) In bonds (Unquoted):		
Nil (Previous Year 500) Units of ₹ 10,000/- each of Non Convertible Redeemable taxable bonds of Rural Electrification Corporation Limited	-	50.00
b) In units of mutual funds (Unquoted):		
1. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Birla Sun Life Fixed Term Plan Series EF - Growth (370 days)	500.00	-
2. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Birla Sun Life Fixed Term Plan Series EI Growth (368 Days)	500.00	-
3. Nil (Previous Year 10,000,000.00) units of ₹ 10/- each of Birla Sun Life Fixed Term Plan Series CI - Growth (367 days)	-	1,000.00
4. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Birla Sun Life Fixed Term Plan Series CJ - Growth (366 days)	-	500.00
5. 2,500,000.00 (Previous Year Nil) units of ₹ 10/- each of Birla Sun Life Fixed Term Plan Series EK Growth (370 Days)	250.00	-
6. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Birla Sun Life Fixed Term Plan Series EQ -368 days	500.00	-
7. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of DSP BlackRock FMP - Series 10 Growth	-	500.00
8. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of DSP BlackRock FMP - Series 32 - Growth	500.00	-
9. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of DWS Fixed Maturity Plan - Series 1 (370 days) Growth Plan	500.00	-
10. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of DWS Fixed Maturity Plan - Series 3 (370 days) Growth Plan	500.00	-
11. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of DWS Fixed Maturity Plan - Series 5 (370 days) Growth Plan	500.00	-
12. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Fidelity FMP - Series 4 - Plan E - Growth	-	500.00
13. Nil (Previous Year 2,608,625.56) units of ₹ 10/- each of Fidelity FMP Series 5 - Plan E - Growth	-	260.86
14. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Fidelity FMP Series 6 - Plan E Growth	500.00	-
15. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of HSBC Fixed Term Series 82 Growth Tenure 370 Days	500.00	-
16. 4,071,077.00 (Previous Year Nil) units of ₹ 10/- each of ICICI Prudential FMP Series 61 - Plan C cumulative	407.11	-
17. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of ICICI Prudential FMP Series 63 - Plan B Cumulative	500.00	-
18. 5,027,676.00 (Previous Year Nil) units of ₹ 10/- each of ICICI Prudential FMP Series 63 - 370 days Plan D Cumulative	502.77	-
19. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of ICICI Prudential Interval Fund Quarterly Interval Plan I Institutional Dividend	-	500.00
20. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of IDBI FMP - 367 Days Series I (March 11) - C - Growth	-	500.00
21. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of IDFC FMP yearly Series 37 - Growth	-	500.00
22. Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of IDFC FMP Yearly Series -41 Growth	-	500.00

Notes

forming part of the financial statements for the year ended 31st March, 2012

		(₹ lacs)	
		As at 31.03.2012	As at 31.03.2011
23.	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Kotak FMP 370 days Series - 2 Growth	-	500.00
24.	Nil (Previous Year 5,001,523.00) units of ₹ 10/- each of Kotak FMP Series -28 Growth	-	500.15
25.	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Kotak FMP- Series 29 Growth	-	500.00
26.	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Kotak FMP- Series 37 Growth	-	500.00
27.	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Kotak FMP Series 40 Growth	-	500.00
28.	5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of L&T FMP – V (February 368DA) Growth	500.00	-
29.	5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Reliance Fixed Horizon Fund -XXI-Series 8 -Growth Plan	500.00	-
30.	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Reliance Fixed Horizon Fund XIX Series 8 - Growth Plan	-	500.00
31.	Nil (Previous Year 9,028,500.13) units of ₹ 10/- each of Reliance Fixed Horizon Fund XVI Series 3 Growth Plan	-	902.85
32.	5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Reliance Fixed Horizon Fund -XXI-Series 5 - Growth Plan	500.00	-
33.	Nil (Previous Year 5,001,055.59) units of ₹ 10/- each of Reliance Fixed Horizon Fund -XIX -Series 9 -Growth Plan	-	500.11
34.	Nil (Previous Year 10,445,630.60) units of ₹ 10/- each of Reliance Quarterly Interval Fund Series III Institutional Dividend Plan	-	1,044.95
35.	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Religare Fixed Maturity Plan - Series III - Plan A -Growth Plan	-	500.00
36.	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Religare Fixed Maturity Plan - Series IV Plan F (368 days) Growth Plan	-	500.00
37.	5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Religare Fixed Maturity Plan Series XI Plan E - (371 days) Growth Plan	500.00	-
38.	5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Religare Fixed Maturity Plan Series XII Plan A - (370 days) - Growth Plan	500.00	-
39.	Nil (Previous Year 10,000,000.00) units of ₹ 10/- each of Religare Fixed Maturity Plan -series IV - Plan E (370 days) Growth Plan	-	1,000.00
40.	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Religare Fixed Maturity Plan -series VI - Plan B (370 days) Growth Plan	-	500.00
41.	5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Religare Fixed Maturity Plan -Series XII - Plan C (368 days) Growth Plan	500.00	-
42.	Nil (Previous Year 10,000,000.00) units of ₹ 10/- each of Sundaram Fixed Term Plan AQ 367 days Growth	-	1,000.00
43.	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Sundaram Fixed Term Plan -AX -366 days -Growth	-	500.00
44.	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Sundaram FTP 18 Months Series Y -Growth	-	500.00
45.	4,998,500.00 (Previous Year Nil) units of ₹ 10/- each of Sundaram Interval Fund Quarterly - Plan A Institutional Dividend	500.00	-
46.	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Tata Fixed Maturity Plan Series 29- Scheme B -Growth	-	500.00
47.	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Tata Fixed Maturity Plan Series 31 Scheme B Growth	-	500.00
48.	3,373,975.00 (Previous Year Nil) units of ₹ 10/- each of Tata Fixed Maturity Plan Series 39 Scheme A - Growth	337.40	-
49.	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Taurus Fixed Maturity Plan - 15 Months -Series 1 - Institutional Growth Plan	-	500.00
50.	Nil (Previous Year 4,867,899.00) units of ₹ 10/- each of Taurus Fixed Maturity Plan - 370 Days Series Plan D Growth Plan	-	486.79
51.	5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Taurus Fixed Maturity Plan 370 Days Series M - Growth Plan	500.00	-

Notes

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		(₹ lacs)	
		As at 31.03.2012	As at 31.03.2011
52.	Nil (Previous Year 10,445,583.73) units of ₹ 10/- each of UTI -Fixed Income Interval Fund - Monthly interval plan -II Institutional Dividend Plan - Reinvestment	-	1,044.56
53.	Nil (Previous Year 5,482,694.44) units of ₹ 10/- each of UTI Fixed Income Interval Fund - Series II Quarterly Interval Plan VI Institutional Dividend Plan	-	548.27
		10,497.28	18,288.54
	Total current portion of long - term investments (A)	10,497.28	18,338.54
B) Other current investments (fully paid up, valued at lower of cost and fair value):			
a) Quoted investments:			
In equity shares of other company:			
	Nil (Previous Year 1,033,952) Equity Shares of MUR 1/- each in Knowledge Economies Limited.	-*	109.05
	*Classified as unquoted during the year		
b) Unquoted investments:			
1. In equity shares of an associate company:			
	Nil (Previous Year 2,643,916) Equity shares of ₹ 10/- each of Multi Commodity Exchange of India Limited (Refer Note 40)	-	211.51
2. In equity shares of other company:			
	1,033,952 (Previous Year Nil) Equity Shares of MUR 1/- each in Knowledge Economies Limited.	121.63*	-
	*Classified as unquoted during the year		
		121.63	211.51
c) In units of mutual funds (Unquoted):			
1.	Nil (Previous Year 31,780.20) units of ₹ 1000/- each of AIG India Liquid Fund-Super Institutional Daily Dividend	-	318.12
2.	4,999.85 (Previous Year Nil) units of ₹ 1000/- each of AIG India Liquid Fund-Super Institutional Daily Dividend	50.05	-
3.	5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Axis Fixed Term Plan Series 20 (3 months) Dividend Payout	500.00	-
4.	5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Axis Fixed Term Plan Series 23 (3 months) Dividend Payout	500.00	-
5.	Nil (Previous Year 4,107,165.10) units of ₹ 10/- each of Axis Short term fund Institutional Regular Dividend Reinvestment	-	411.69
6.	37,776.79 (Previous Year Nil) units of ₹ 1000/- each of Axis Treasury advantage fund -Institutional Daily Dividend Reinvestment	377.81	-
7.	650,176.28 (Previous Year Nil) units of ₹ 1000/- each of Baroda Pioneer Liquid Fund - Institutional Daily Dividend Plan	6,505.86	-
8.	Nil (Previous Year 15,000,000.00) units of ₹ 10/- each of Baroda Pioneer PSU Bond Fund - Growth Plan	-	1,500.00
9.	Nil (Previous Year 403,105.78) units of ₹ 1000/- each of Baroda Pioneer Treasury Advantage Fund - Institutional Daily Dividend Plan	-	4,034.73
10.	33,422,040.03 (Previous Year Nil) units of ₹ 10/- each of Birla Sun Life Dynamic Bond fund -Retail Plan - Monthly Dividend	3,512.29	-
11.	15,904,756.76 (Previous Year 14,800,994.77) units of ₹ 10/- each of Birla Sun Life Dynamic Bond fund -Retail Plan - Monthly Dividend	1,657.82	1,541.99
12.	Nil (Previous Year 4,500,000.00) units of ₹ 10/- each of Birla Sun Life Fixed Term Plan - Series CK Growth	-	450.00
13.	Nil (Previous Year 15,294,672.96) units of ₹ 10/- each of Birla Sun Life Interval Income Fund Institutional - Quarterly Series I Dividend	-	1,529.49
14.	5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Birla Sun Life Short Term FMP Series 29 Dividend (91 days)	500.00	-
15.	5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Birla Sun Life Short Term FMP Series 30 Dividend (90 days)	500.00	-
16.	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of BNP Paribas Fixed Term Fund - Series 20 B Dividend	-	500.00
17.	9,994,103.48 (Previous Year Nil) units of ₹ 10/- each of BNP Paribas Money Plus - Institutional Plan Daily Dividend Reinvestment	1,000.00	-

Notes

forming part of the financial statements for the year ended 31st March, 2012

		(₹ lacs)	
		As at 31.03.2012	As at 31.03.2011
18.	5,203,950.18 (Previous Year Nil) units of ₹ 10/- each of BNP Paribas Short term income fund Institutional Daily Dividend Reinvestment	521.52	-
19.	11,671,258.25 (Previous Year 10,821,582.27) units of ₹ 10/- each of Canara Robeco Short Term Institutional Monthly Dividend Reinvestment	1,180.30	1,094.31
20.	54,438.30 (Previous Year Nil) units of ₹ 1000/- each of Canara Robeco Treasury Advantage Super Institutional Daily Dividend Reinvestment	675.42	-
21.	354,320.11 (Previous Year Nil) units of ₹ 1000/- each of Daiwa Liquid Fund Institutional Plan Daily Dividend Reinvestment	3,545.04	-
22.	5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of DSP BlackRock FMP - Series 30 - 3M Dividend payout	500.00	-
23.	5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of DSP BlackRock FMP - Series 43 - Growth	500.00	-
24.	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of DSP BlackRock FMP 3M Series 27 Dividend Payout	-	500.00
25.	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of DSP BlackRock FMP 3M Series 30 Dividend Payout	-	500.00
26.	Nil (Previous Year 5,217,742.36) units of ₹ 10/- each of DWS Moneyplus Fund Institutional Daily Dividend Reinvestment	-	525.90
27.	11,230,334.02 (Previous Year 10,462,332.65) units of ₹ 10/- each of DWS Short Maturity Fund - Institutional Weekly Dividend Plan	1,172.34	1,092.45
28.	Nil (Previous Year 5,063,341.12) units of ₹ 10/- each of DWS Treasury Fund Investment - Institutional Plan Daily Dividend - Reinvestment	-	506.35
29.	3,852,030.45 (Previous Year Nil) units of ₹ 10/- each of DWS Ultrashort Term Fund Institutional Daily Dividend Reinvestment	385.89	-
30.	5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Edelweiss Fixed Maturity Plan Series 5 -91 Days Dividend	500.00	-
31.	Nil (Previous Year 16,390,555.28) units of ₹ 10/- each of EDIID ICICI Prudential Equity & Derivatives Fund-Income Optimiser -Institutional Dividend.	-	1,737.30
32.	Nil (Previous Year 2,000,000.00) units of ₹ 10/- each of Fidelity FMP - Series 5 - Plan B - Dividend	-	200.00
33.	5,464,050.00 (Previous Year Nil) units of ₹ 10/- each of Fidelity FMP Series 6 - Plan C Growth	546.41	-
34.	Nil (Previous Year 35,005,103.99) units of ₹ 10/- each of Fidelity short term income fund Dividend	-	3,500.51
35.	Nil (Previous Year 12,195,808.58) units of ₹ 10/- each of HDFC Arbitrage Fund - Wholesale Plan - Quarterly Dividend Option	-	1,222.49
36.	5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of HDFC FMP 92D February 2012(2) - Dividend - Series XIX	500.00	-
37.	5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of HDFC FMP 92D January 2012(1) - Dividend - Series XIX	500.00	-
38.	5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of HDFC FMP 92D March 2012(1) - Dividend - Series XIX	500.00	-
39.	1,928,384.83 (Previous Year 4,532,578.55) units of ₹ 10/- each of HSBC Floating Rate - Long Term Plan - Institutional Option - Weekly Dividend	216.55	509.70
40.	11,488,632.89 (Previous Year 10,770,516.76) units of ₹ 10/- each of HSBC Income Fund Short Term Institutional Plus - Weekly Dividend	1,155.22	1,085.86
41.	94,576.06 (Previous Year Nil) units of ₹ 100/- each of ICICI Prudential Flexible Income Plan Premium - Daily Dividend Reinvestment	100.00	-
42.	Nil (Previous Year 9,992,116.53) units of ₹ 10/- each of ICICI Prudential Banking and PSU Debt Fund Premium Plus Daily Dividend	-	1,006.36
43.	Nil (Previous Year 20,410,609.97) units of ₹ 10/- each of ICICI Prudential Banking and PSU debt fund Premium Plus Daily Dividend	-	2,054.68
44.	10,594,205.62 (Previous Year Nil) units of ₹ 10/- each of ICICI Prudential Blended Plan B - Institutional Daily Dividend Option II	1,060.22	-
45.	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of ICICI Prudential FMP Series 55 - 6 Months Plan D Dividend payout	-	500.00
46.	5,013,706.00 (Previous Year Nil) units of ₹ 10/- each of ICICI Prudential Interval fund II Quarterly Interval Plan D Institutional Dividend	501.54	-

Notes

forming part of the financial statements for the year ended 31st March, 2012

		(₹ lacs)	
		As at 31.03.2012	As at 31.03.2011
47.	4,348,771.00 (Previous Year Nil) units of ₹ 10/- each of ICICI Prudential Interval Fund II Quarterly Interval Plan F Institutional Growth	500.00	-
48.	4,977,050.09 (Previous Year 4,977,050.09) units of ₹ 10/- each of ICICI Prudential Regular Savings Fund Growth	500.00	500.00
49.	Nil (Previous Year 5,090,187.74) units of ₹ 10/- each of IDBI Ultra Short Term Fund Daily Dividend Reinvestment	-	509.02
50.	5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of IDFC Fixed Maturity Quarterly Series 71 Dividend	500.00	-
51.	Nil (Previous Year 10,150,732.69) units of ₹ 10/- each of IDFC FMP Half Yearly Series-12 Dividend	-	1,015.07
52.	10,964,608.10 (Previous Year Nil) units of ₹ 10/- each of IDFC Money Manager Fund- Investment Plan -Institutional Plan B- Daily Dividend	1,109.45	-
53.	Nil (Previous Year 13,184,131.37) units of ₹ 10/- each of JM - Arbitrage Advantage Fund- Dividend Plan (159)	-	1,342.30
54.	Nil (Previous Year 4,466,546.48) units of ₹ 10/- each of JM Money Manager Fund - Super Plus Plan - Daily Dividend Reinvestment	-	446.84
55.	44,021,888.72 (Previous Year Nil) units of ₹ 10/- each of JM Money Manager Fund Super Plus Plan - Daily Dividend (171)	4,404.52	-
56.	5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of JP Morgan Fixed Maturity Plan Series 7 Dividend Payout	500.00	-
57.	5,000,000.00 (Previous Year 5,000,000.00) units of ₹ 10/- each of Kotak Credit Opportunities Fund - Growth	500.00	500.00
58.	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of Kotak Quarterly Interval Plan Series 10 - Dividend	-	500.00
59.	Nil (Previous Year 5,000,000.02) units of ₹ 10/- each of Kotak Quarterly Interval Plan Series 4 - Dividend	-	500.00
60.	Nil (Previous Year 10,001,555.55) units of ₹ 10/- each of Kotak Quarterly Interval Plan Series 7 - Dividend	-	1,000.21
61.	Nil (Previous Year 9,999,800.01) units of ₹ 10/- each of Kotak Quarterly Interval Plan Series 8 - Dividend	-	1,000.00
62.	2,069,050.81 (Previous Year Nil) units of ₹ 10/- each of L&T Ultra STF Institutional - Daily Dividend Reinvestment Plan	210.12	-
63.	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of L&T FMP-III (February 90D-A) -Dividend Payout	-	500.00
64.	5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of L&T FMP-V (February 90DA) -Dividend Payout	500.00	-
65.	198,480.87 (Previous Year Nil) units of ₹ 1000/- each of L&T Liquid Super Institutional Daily Dividend Reinvestment	2,007.90	-
66.	18,652,182.30 (Previous Year 4,607,517.35) units of ₹ 10/- each of L&T Select Income Fund -Flexi Debt Institutional -Dividend	1,922.51	462.43
67.	15,000,000.00 (Previous Year Nil) units of ₹ 10/- each of L&T Short Term Debt Fund - Growth	1,500.00	-
68.	Nil (Previous Year 1,923,454.08) units of ₹ 10/- each of Peerless Liquid Fund - Super Institutional Daily Dividend	-	192.37
69.	7,009,068.02 (Previous Year Nil) units of ₹ 10/- each of Peerless Ultra Short Term Fund - Super Institutional Daily Dividend	701.29	-
70.	30,143.30 (Previous Year Nil) units of ₹ 1000/- each of Pramerica Dynamic Bond Fund Monthly Dividend Reinvestment	302.10	-
71.	20,208.08 (Previous Year Nil) units of ₹ 1000/- each of Pramerica Dynamic Bond Fund Monthly Dividend Reinvestment	202.08	-
72.	56,358.74 (Previous Year Nil) units of ₹ 1000/- each of Pramerica Short Term Floating Rate Fund Weekly Dividend Reinvestment	563.59	-
73.	52,608.45 (Previous Year Nil) units of ₹ 1000/- each of Pramerica Short Term Income Fund Monthly Dividend Reinvestment	527.19	-
74.	Nil (Previous Year 73,411.28) units of ₹ 1000/- each of Pramerica Ultra Short Term Bond Fund Daily Dividend Option Reinvestment	-	734.19
75.	500,505.32 (Previous Year Nil) units of ₹ 1000/- each of Principal Cash Management Fund- Institutional Premium Plan - Dividend Reinvestment Daily	5,005.40	-

Notes

forming part of the financial statements for the year ended 31st March, 2012

		(₹ lacs)	
		As at 31.03.2012	As at 31.03.2011
76.	Nil (Previous Year 15,000,000.00) units of ₹ 10/- each of Principal PNB Fixed Maturity Plan(FMP 69) 91 Days-Series XXVIII-Regular Dividend Payout- Feb11	-	1,500.00
77.	10,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Reliance Fixed Horizon FundXXII Series 1 -Dividend Plan	1,000.00	-
78.	2,925,491.65 (Previous Year Nil) units of ₹ 10/- each of Reliance Medium Term Fund-Daily Dividend Plan	500.14	-
79.	10,745.05 (Previous Year Nil) units of ₹ 1000/- each of Reliance Money Manager Fund -Institutional Option-Daily Dividend Plan	107.60	-
80.	Nil (Previous Year 4,999,150.08) units of ₹ 10/- each of Reliance Monthly Interval Fund Series I Institutional Dividend Plan	-	500.04
81.	Nil (Previous Year 4,997,850.92) units of ₹ 10/- each of Reliance Quarterly Interval Fund Series II - Institutional Dividend Plan	-	500.00
82.	14,204,752.17 (Previous Year 14,204,752.17) units of ₹ 10/- each of Reliance Regular Savings Fund -Debt Plan -Institutional Growth Plan	1,800.05	1,800.05
83.	21,567,931.95 (Previous Year 20,371,960.86) units of ₹ 10/- each of Reliance Short term Fund - Retail Plan - Dividend plan	2,309.86	2,171.10
84.	10,762,688.05 (Previous Year 10,482,393.85) units of ₹ 10/- each of Religare Active Income Fund - Plan B - Monthly Dividend	1,079.73	1,050.55
85.	5,265,153.09 (Previous Year 5,309,078.63) units of ₹ 10/- each of Religare Credit Opportunities Fund - Institutional Plan Monthly Dividend	534.97	538.78
86.	6,400,297.89 (Previous Year Nil) units of ₹ 10/- each of Religare Credit Opportunities Fund Institutional -Daily Dividend Reinvestment	640.22	-
87.	Nil (Previous Year 10,000,000.00) units of ₹ 10/- each of Religare Fixed Maturity Plan - Series IV Plan B (6 months) Dividend	-	1,000.00
88.	Nil (Previous Year 10,000,000.00) units of ₹ 10/- each of Religare Fixed Maturity Plan - Series V Plan F (91 days) Dividend Plan	-	1,000.00
89.	Nil (Previous Year 15,272,069.41) units of ₹ 10/- each of Religare Medium Term Bond Fund Monthly Dividend Reinvestment	-	1,527.24
90.	15,396,889.31 (Previous Year Nil) units of ₹ 10/- each of Religare Short Term Plan - A Monthly Dividend	1,613.15	-
91.	Nil (Previous Year 9,988.41) units of ₹ 1000/- each of Religare Ultra Short Term Fund - Institutional Daily Dividend	-	100.06
92.	Nil (Previous Year 10,084,077.00) units of ₹ 10/- each of SBI Debt Fund Series 180 days -13- Dividend	-	1,008.41
93.	Nil (Previous Year 5,000,000.00) units of ₹ 10/- each of SBI Debt Fund Series 90 days -38 Dividend	-	500.00
94.	5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of SBI Debt Fund Series 90 Days -58 Dividend	500.00	-
95.	5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of SBI Debt Fund Series 90 Days -60 Dividend	500.00	-
96.	4,985,332.53 (Previous Year Nil) units of ₹ 10/- each of SBI Magnum Income Fund - FR Savings Plus Bond Plan -Daily Dividend Reinvestment	501.63	-
97.	119,968.52 (Previous Year Nil) units of ₹ 1000/- each of SBI SHF- Ultra Short Term Fund -Institutional Plan Daily Dividend Reinvestment	1,200.40	-
98.	Nil (Previous Year 5,223,636.89) units of ₹ 10/- each of Sundaram Interval Fund Quarterly -Plan D Institutional Dividend	-	522.36
99.	9,448,113.25 (Previous Year Nil) units of ₹ 10/- each of Sundaram Ultra Short Term Fund Super Institutional Dividend Reinvestment Daily	948.31	-
100.	5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Sundaram Fixed Term Plan CL (366 days)-Growth	500.00	-
101.	4,997,751.00 (Previous Year Nil) units of ₹ 10/- each of Sundaram Interval Fund Quarterly Plan B Institutional Dividend	500.00	-
102.	4,998,600.00 (Previous Year Nil) units of ₹ 10/- each of Sundaram Interval Fund Quarterly Plan C - Institutional Dividend	500.00	-
103.	10,350,597.74 (Previous Year Nil) units of ₹ 10/- each of Sundaram Ultra Short Term Fund Super Institutional Dividend Reinvestment Daily	1,038.89	-
104.	Nil (Previous Year 4,764,854.43) units of ₹ 10/- each of Tata Dynamic Bond Fund Option B Dividend	-	500.00

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	As at 31.03.2012	As at 31.03.2011 (₹ lacs)
105. Nil (Previous Year 5,126,747.93) units of ₹ 10/- each of Tata Fixed Income Portfolio Fund Scheme A2-Regular Monthly Dividend Reinvestment	-	519.08
106. Nil (Previous Year 5,326,780.22) units of ₹ 10/- each of Tata Fixed Income Portfolio Fund Scheme A3-Institutional I	-	532.68
107. 4,993,458.57 (Previous Year Nil) units of ₹ 10/- each of Tata Fixed Income Portfolio Fund Scheme B2 Institutional Quarterly Dividend	500.00	-
108. Nil (Previous Year 3,546,212.28) units of ₹ 10/- each of Tata Floater Fund Daily Dividend	-	355.88
109. 179,034.40 (Previous Year Nil) units of ₹ 1000/- each of Tata Treasury Manager Super High Investment Plan Daily Dividend	1,808.82	-
110. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Taurus Fixed Maturity Plan 91 days Series N - Dividend Plan	500.00	-
111. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of Taurus Fixed Maturity Plan 91 days Series R - Dividend Plan	500.00	-
112. 20,655.00 (Previous Year Nil) units of ₹ 1000/- each of Taurus Ultra Short Term Bond Fund - Super Institutional Daily Dividend Plan	206.91	-
113. 33,285,649.59 (Previous Year 33,285,649.59) units of ₹ 10/- each of Templeton India Income Opportunities Fund - Growth	3,500.00	3,500.00
114. 10,266,600.49 (Previous Year Nil) units of ₹ 10/- each of Templeton India Low Duration Fund -Monthly Dividend	1,066.13	-
115. 125,275.05 (Previous Year Nil) units of ₹ 1000/- each of Templeton India Short Term Income Plan Institutional- Monthly Dividend Reinvestment	1,500.00	-
116. 24,983,534.21 (Previous Year Nil) units of ₹ 10/- each of Templeton India Ultra Short Bond Fund Super Institutional Plan -Daily Dividend Reinvestment	2,501.25	-
117. 4,998,550.42 (Previous Year Nil) units of ₹ 10/- each of UTI -Fixed Income Interval Fund -Series II- Quarterly Interval Plan -VII -I	500.00	-
118. Nil (Previous Year 10,000,000.00) units of ₹ 10/- each of UTI Fixed Income Interval Fund-Series II - Quarterly Interval Plan-IV-Institutional Dividend Plan	-	1,000.00
119. 5,000,000.00 (Previous Year Nil) units of ₹ 10/- each of UTI -Fixed Maturity Plan - Quarterly Series(QFMP 02/12-1) Institutional - Dividend	500.00	-
120. 100,258.07 (Previous Year Nil) units of ₹ 1000/- each of UTI Money Market Mutual Fund - Institutional Daily Dividend	1,005.96	-
121. 50,224.35 (Previous Year Nil) units of ₹ 1000/- each of UTI Treasury Advantage Fund - Institutional Plan (Daily Dividend Option)	502.34	-
122. Nil (Previous Year 102,707.15) units of ₹ 1000/- each of UTI Treasury Advantage Fund Institutional Plan -(Daily Dividend Option) Reinvestment	-	1,027.29
In units of mutual funds (Unquoted):	80,986.79	56,677.86
Total other current investments (B)	81,108.42	56,998.42
Total current investments (A+B)	91,605.70	75,336.96
Aggregate amount of quoted investments	-	109.05
Aggregate Market value of quoted investments	-	109.05
Aggregate amount of unquoted investments	91,605.70	75,227.91
Aggregate provision for diminution (write down) in the value of other current investments	123.56	136.20
17. TRADE RECEIVABLES		
Unsecured, considered good unless stated otherwise		
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Considered good	252.41	75.17
Considered doubtful	362.90	426.14
Less: Provision for doubtful trade receivables	(362.90)	(426.14)
	252.41	75.17
Other trade receivables		
Considered good	3,376.52	3,112.17
TOTAL	3,628.93	3,187.34

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forming part of the financial statements for the year ended 31st March, 2012

18. CASH AND CASH EQUIVALENTS	As at 31.03.2012	As at 31.03.2011 (₹ lacs)
Balances that meet the definition of Cash and Cash equivalents as per AS 3 - Cash Flow Statements		
Cheques on hand	111.27	1,066.21
Balances with banks		
In current accounts	3,552.65	1,189.43
In EFFC accounts	21,762.29	2,811.21
In deposit accounts with original maturity of less than 3 months	1,268.69	491.01
In earmarked accounts		
In current accounts	29.04	41.12
In deposit accounts with original maturity of less than 3 months	9,775.93	1,129.64
Unpaid dividend accounts	71.06	63.86
	<u>36,570.93</u>	<u>6,792.48</u>
Other Bank Balances		
In deposit accounts with original maturity of more than 12 months [Includes ₹ 4.00 lacs (Previous Year: ₹ Nil) under lien with bank against bank guarantees]	5.58	1.00
In deposit accounts with original maturity of more than 3 months but less than 12 months [Includes ₹ 210.00 lacs (Previous Year: ₹ 246.50 lacs) under lien with bank against bank guarantees]	3,324.32	7,962.63
	<u>3,329.90</u>	<u>7,963.63</u>
TOTAL	39,900.83	14,756.11
19. SHORT-TERM LOANS AND ADVANCES		
Unsecured, considered good unless stated otherwise		
Loans and advances to related parties (Refer Note 43)	29,219.84	9,811.52
Security deposits		
Considered good	756.51	154.87
Considered doubtful	1.61	1.61
Less: Provision for doubtful deposits	(1.61)	(1.61)
	<u>756.51</u>	<u>154.87</u>
Loans and advances to employees		
Considered good	145.07	105.47
Considered doubtful	4.54	-
Less: Provision for doubtful loans and advances	(4.54)	-
	<u>145.07</u>	<u>105.47</u>
Prepaid expenses	399.98	411.20
Balances with government authorities	928.56	673.30
Advances for supply of goods and services	466.61	591.34
TOTAL	31,916.57	11,747.70
Short-term loans and advances include amount due from an officer of the company	-	10.41
20. OTHER CURRENT ASSETS		
Unbilled revenue	-	73.21
Unamortised ancillary borrowing costs	468.79	-
Interest accrued on bank deposits	135.24	492.24
Interest accrued on investments	168.78	168.78
Interest receivable on income- tax refund	199.25	-
Receivable on cancellation of forward exchange contracts	610.25	-
Dividend accrued on investments	-	36.96
Application money paid for investments in mutual funds	-	1,022.04
Contractually reimbursable expenses	83.60	-
Foreign currency monetary item translation difference account (FCMITDA) (Refer Note 31)	1,071.23	-
Rent receivable	-	78.91
TOTAL	2,737.14	1,872.14

Notes

forming part of the financial statements for the year ended 31st March, 2012

	Year Ended 31.03.2012	Year Ended 1.03.2011 (₹ lacs)
21. REVENUE FROM OPERATIONS		
Income from software products (IPR based license)	8,085.43	8,429.18
Income from software services (Project based)	32,801.12	24,640.23
Sale of traded goods		
Computer hardware	296.87	157.43
Computer software	81.77	217.85
	378.64	375.28
Other operating revenues		
Business support services	987.99	1,958.40
IT infrastructure sharing income	146.78	213.35
Others	154.85	152.01
TOTAL	42,554.81	35,768.45
22. OTHER INCOME		
Interest income on		
Bank deposits	747.78	693.63
Long-term investments	284.21	286.69
Loans and advances to subsidiaries	704.29	647.45
Income- tax refund	199.25	-
Loans to employees	21.71	22.08
	1,957.24	1,649.85
Dividend income		
From long-term investments		
In associates	754.38	503.94
Others	6.45	93.63
From current investments		
In associates	132.20	132.20
Others	4,132.13	3,756.81
	5,025.16	4,486.58
Profit on sale of investments (net)		
Long-term investments		
In associates (Refer Note 40)	-	1,912.96
Others	1,653.31	4,737.39
Current investments		
In associates (Refer Note 40)	24,982.12	-
Others	255.92	284.95
	26,891.35	6,935.30
Reversal of write down in value of current investments (net)	12.64	50.37
Other non-operating income		
Rental income from operating leases (Refer Note 29)	1,222.53	466.65
Exchange rate fluctuations (net)	1,763.72	616.92
Miscellaneous income	13.25	0.96
TOTAL	36,885.89	14,206.63
23. PURCHASES OF STOCK-IN-TRADE		
Computer hardware	242.65	150.95
Computer software	38.69	129.58
TOTAL	281.34	280.53
24. EMPLOYEE BENEFIT EXPENSES		
Salaries and wages	10,563.44	10,862.99
Contribution to provident fund and other funds (Refer Note 46)	450.95	427.34
Staff welfare expenses	233.71	249.99
TOTAL	11,248.10	11,540.32

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forming part of the financial statements for the year ended 31st March, 2012

	Year Ended 31.03.2012	Year Ended 1.03.2011 (₹ lacs)
25. FINANCE COSTS		
Interest expense on:		
Borrowings	1,667.85	-
Delayed payment of tax	0.46	70.34
Other borrowing costs:		
Provision for estimated loss on interest rate swap contracts	950.99	-
Amortisation of ancillary borrowing costs	424.93	-
TOTAL	3,044.23	70.34
26. DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation of tangible assets	1,349.53	808.62
Amortisation of intangible assets	380.57	300.29
TOTAL	1,730.10	1,108.91
27. OTHER EXPENSES*		
Electricity	387.22	298.62
Rent (Refer Note 29)	892.89	1,697.28
Repairs and maintenance- buildings	18.60	0.54
Repairs and maintenance- others	218.17	152.39
Insurance	42.10	23.05
Rates and taxes, excluding taxes on income	246.33	210.47
Service charges	57.68	250.00
Travelling and conveyance	174.02	200.43
Communication expenses	312.15	257.52
Legal and professional charges (Refer Note 34)	991.88	1,702.87
Software license fees	593.53	525.04
Provision for other than temporary diminution in value of long term investments in subsidiaries	-	3,210.00
Loss on sale / redemption / reduction in shares in subsidiary companies (net)	11,045.35	-
Less: Provision held	(7,163.00)	-
	3,882.35	-
Loss on disposal / write off of fixed assets (net)	148.49	104.53
Less: Provision for impairment held	(104.61)	-
	43.88	104.53
Bad trade receivables / advances written off	96.38	251.29
Less: Provision held	(63.24)	(69.47)
	33.14	181.82
Provision for doubtful trade receivables / advances	4.54	47.95
Donation	966.25	647.35
Miscellaneous expenses	1,326.86	1,376.52
TOTAL	10,191.59	10,886.38
<i>*Net of recoveries on account of sharing of common expenses with group companies (Refer Note 43)</i>		

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forming part of the financial statements for the year ended 31st March, 2012

28. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)	Current Year	Previous Year (₹ lacs)
A) Contingent liabilities:		
1. Taxes in dispute:		
(a) Income tax demands against which the Company is in appeal (including adjustable against Securities Premium account ₹ 1,941.03 lacs (Previous Year ₹ 1,941.03 lacs).	2,663.06	2,348.54
(b) MVAT, Service tax and excise dues contested by the Company. The Company is hopeful of positive outcome.	515.17	475.09
2. Guarantees given to third parties by the Company on behalf of its subsidiary companies.	66,657.97	75,377.25
B) Capital and other commitments*:		
1. Estimated amount of contracts to be executed on capital account and not provided for (net of advances)	227.55	1,371.16
2. Letters of comfort issued to banks in respect of credit facilities availed by subsidiary companies.	5,200.00	200.00
3. For commitments relating to lease arrangements, see Note 29(a) and for derivative contracts, see Note 33(a).		

29. OPERATING LEASE

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

Particulars	As at 31.03.2012	As at 31.03.2011 (₹ lacs)
Lease expenditure		
Lease rentals [net of recoveries ₹ 285.81 lacs Previous Year 310.85 lacs] (included in Note 27 'Rent')	843.01	718.64
Obligations on non-cancellable leases		
Not later than one year	538.78	775.70
Later than one year and not later than five years	320.95	306.23
Later than five years	-	-

B) The Company has entered into operating lease agreements as a lessor for various premises ranging from 22 months to 36 months. The lease rentals recognised as income in the statement of profit and loss during the year and the future minimum lease payments under non-cancellable operating lease are as follows:

Particulars	As at 31.03.2012	As at 31.03.2011 (₹ lacs)
Lease Income		
Lease rentals (included in Note 22 'Rental income from operating leases')	1,202.25	427.92
Receivables on non-cancellable leases		
Not later than one year	1,100.00	1,425.77
Later than one year and not later than five years	1,017.94	2,695.42
Later than five years	-	-
Fixed Assets*		
Gross carrying amount of leased assets	11,924.57	11,924.57
Accumulated depreciation	276.47	82.10
Depreciation recognised	194.37	82.10

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

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forming part of the financial statements for the year ended 31st March, 2012

30. A) EXPENDITURE IN FOREIGN CURRENCY (INCLUDING FOREIGN BRANCHES):

Nature of Expenses	(₹ lacs)	
	Current Year	Previous Year
Salaries and wages	132.76	167.05
Travelling expenses	17.85	49.41
Professional fees	39.49	50.20
Purchase of goods for trading	65.41	50.50
Interest expenses on borrowings	1,667.85	-
Amortisation of ancillary borrowing costs	285.28	-
Premium payable on redemption of ZCCBs	6,037.06	4,530.80
Insurance	1.57	0.80
Rent	4.42	3.64
Repairs and maintenance- others	0.35	0.56
Software license fees	133.66	104.04
Miscellaneous expenses	110.65	103.26
TOTAL	8,496.35	5,060.26

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

Nature of Expenses	(₹ lacs)	
	Current Year	Previous Year
Income from software products (IPR based license)	23.33	54.22
Income from software services (Project based)	17,019.82	13,741.14
Sale of traded goods	-	80.13
Other operating revenues	-	19.09
Interest on bank deposits	319.89	17.32
Interest on loans to subsidiaries	67.51	12.62
TOTAL	17,430.55	13,924.52

31. In an earlier year, the Company adopted the option offered by the notification of the Companies (Accounting Standards) Amendment Rules 2006 which amended Accounting Standard 11 "The Effects of Changes in Foreign Exchange Rates" for the period upto 31st March, 2011. During the year, Ministry of Corporate Affairs, Government of India, has issued notification dated 29th December, 2011 amending the aforesaid rules in respect of the exchange differences (effective from 1st April, 2011) on reporting of long term foreign currency monetary items, by allowing the treatment described in accounting policy I of Note No. 2 over the life of the long term monetary item which hitherto was permitted upto 31st March, 2011.

Pursuant to the aforesaid notifications, (1) cumulative foreign exchange loss (net) of ₹ 3,267.22 lacs (Previous Year ₹ 519.00 lacs) has been adjusted to the cost of the fixed assets/capital work-in-progress and (2) ₹ 9,863.35 lacs has been debited (Previous Year credit of ₹ 268.62 lacs) to the Foreign Currency Monetary Item Translation Difference Account during the year [unamortised balance at the year end is ₹ 4,224.67 lacs (Previous Year ₹ Nil)].

Exchange difference loss (net) included in capital work-in progress ₹ Nil (Previous Year ₹ 52.04 lacs) and Fixed Assets ₹ 2,748.22 lacs (Previous Year ₹ 466.96 lacs) during the year pursuant to amended Accounting Standard 11 "The Effects of changes in Foreign Exchange Rates".

32. Exceptional item for the year ended 31st March, 2011, represents the amount paid by the Company to the Purchaser under the price reset clause consisting of ₹ 17,968.75 lacs towards price reset and ₹ 2,947.75 lacs towards interest in accordance with the Agreement of sale for investments of 71,875,000 equity shares of ₹ 1 each for an aggregate consideration of ₹ 25,156.25 lacs in an earlier year. Consequently, the tax provision of ₹ 7,109.52 lacs was also written back."

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forming part of the financial statements for the year ended 31st March, 2012

33. A) DERIVATIVE INSTRUMENTS OUTSTANDING AS AT BALANCE SHEET DATE:

Nature of contract	Foreign currency	Loan amount in foreign currency (lacs)	
		As at 31.03.2012	As at 31.03.2011
Interest rate swap contracts (floating to fixed)	USD	500.00	-

B) THE YEAR END FOREIGN CURRENCY EXPOSURES THAT HAVE NOT BEEN HEDGED BY A DERIVATIVE INSTRUMENT OR OTHERWISE ARE GIVEN BELOW :

Particulars	Currency	Current Year		Previous Year	
		Foreign currency in lacs	₹ lacs	Foreign currency in lacs	₹ lacs
Payables in foreign currency					
Borrowings	USD	1,100.00	56,272.15	905.00	40,408.25
Premium payable on ZCCB	USD	-	-	396.40	17,699.10
Advances from customers	USD	208.30	10,655.92	20.82	929.55
Other payables	AED	0.59	8.35	0.12	1.47
	SGD	-	-	0.03	1.05
	USD	7.15	365.75	0.63	28.18
Receivables in foreign currency					
Cash and Cash equivalents	SGD	0.02	0.79	0.08	2.74
	USD	619.72	31,702.94	101.25	4,520.76
Loans and advances to related parties	SGD	0.06	2.31	0.20	7.37
	USD	477.40	24,421.94	2.71	120.85
Trade receivables	USD	52.51	2,686.25	31.02	1,384.88
Other receivables	AED	0.15	2.09	-	-
	SGD	-	-	0.07	2.60
	USD	0.34	17.14	5.16	230.54

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

Particulars	(₹ lacs)	
	Current Year	Previous Year
As auditors - statutory audit	28.00	24.00
For taxation matters	8.00	3.00
For other services	13.25	28.75
Reimbursement of expenses	0.61	0.01
TOTAL	49.86	55.76

35. SEGMENT REPORTING

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

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

The aggregate amount of revenue expenditure incurred during the year on Research and Development and shown in the respective heads of the account is ₹ 1,289.82 lacs (Previous Year ₹ 1,087.04 lacs).

Notes

forming part of the financial statements for the year ended 31st March, 2012

37. ZERO COUPON CONVERTIBLE BONDS ('ZCCBS')

A) During the year ended 31st March, 2012, the Company has repaid Zero Coupon Convertible Bonds aggregating USD 133.16 million (including premium on redemption, net of withholding tax thereon), equivalent to ₹ 70,519.11 lacs as at the date of repayment.

B) Statement of utilization of proceeds out of ZCCBs till 31st March, 2012:

Particulars	(₹ lacs)
Proceeds received (net of expenses)	43,164.63
Less: Deployment up to 31 st March, 2011	43,018.25
Balance pending utilization as on 31 st March, 2011	146.38
Deployment for the year ended 31 st March, 2012	
Capital Expenditure	143.78
Listing Fees and Bank Charges	2.60
Total Balance pending utilization	NIL

38. EARNINGS PER SHARE IS CALCULATED AS FOLLOWS :

Particulars	Current Year	Previous Year
a) Net profit available for equity shareholders (for basic / diluted EPS)	47,802.93	9,193.47
b) Weighted average number of equity shares		
Basic	46,078,537	46,078,537
Add: Effect of dilutive stock options	-	-
Diluted	46,078,537	46,078,537
c) Basic / Diluted earnings per share	103.74	19.95
d) Face value ₹ per share	2/-	2/-

39. As at 31st March, 2012, the Company's investments in certain subsidiaries and a joint venture company aggregating ₹ 48,045.31 lacs (Previous Year ₹ 95,753.12 lacs) and debts and other recoverable aggregating ₹ 26,403.73 lacs (Previous Year ₹ 9,178.51 lacs), which presently have accumulated losses, [share of aggregate losses till 31st March, 2012 ₹ 46,207.56 lacs (Previous year ₹ 36,267.45 lacs)] but are expected to be recovered, and have their values unlocked in the near future, since these companies are already at various stages of executing their business plans and operations, with expected profitability. Accordingly, a provision for other than temporary diminution in the value of investments of ₹ 1,737.26 lacs (Previous Year ₹ 8,900.26 lacs) as at the year end 31st March, 2012 is considered to be adequate. During the year an amount of ₹ 7,163.00 lacs has been adjusted against the "Loss on sale / redemption / reduction in shares in subsidiary companies (net)". (Refer note 27)

40. The Company, as a part of its core business strategy, promotes and invests in new ventures that utilise its technological capabilities and domain expertise towards creating world class enterprises. The investment in each such venture is assessed for its risks and is limited to a pre-determined level and will generate returns after the ventures start ramping-up operations in varied time frame depending upon the line of business. The Company, as part of its non-linear business model, will endeavor to unlock value by broadening the investor base of its ventures.

During the year, in terms of the compliance of FMC Equity Structure Guidelines dated 29th July, 2009, the Company offered under "offer for sale", in initial public offer of equity by Multi Commodities Exchange of India Limited (MCX), part of its investments aggregating 2,643,916 equity shares of ₹ 10/- each of MCX at a price of ₹ 1,032 per equity share of ₹ 10/- each. The resultant profit of ₹ 24,982.12 lacs (net of directly attributable expenses of ₹ 2,091.58 lacs) is grouped under 'Profit on sale of Investments' in Other Income (Refer Note 22). Subsequent to disinvestments, the Company is holding 26% in the equity share capital of MCX.

During the previous year, the Company sold partial investment held in another group company. The resultant profit of ₹ 1,912.96 lacs (net of directly attributable brokerage expenses of ₹ 47.35 lacs) is grouped under 'Profit on sale of Investments' in Other Income (Refer Note 22).

41. During the year, two of the Company's subsidiaries reduced their share capital by ₹ 13,403.94 lacs against their accumulated losses, as sanctioned by the Hon'ble High Court of Judicature at Bombay. Accordingly, net resultant loss of ₹ 7,921.54 lacs (net of provision held for other than temporary diminution) is charged to the statement of profit and loss and shown under "Loss on sale / redemption / reduction in shares in subsidiary companies (net)". (Refer note 27)

Notes

forming part of the financial statements for the year ended 31st March, 2012

42. Consequent to capital reduction and issue of warrants to the Company against its holding of equity shares of face value of ₹ 5,624.60 lacs in MCX Stock Exchange Limited (MCX-SX), in compliance with a Court sanctioned scheme in March, 2010, the Company, based on independent legal / tax counsel's opinion continues with its stand of no tax liability arising consequent to the same and therefore no tax liability has been determined or recognized in the financial statements.

The Company has investments in equity shares and warrants of MCX-SX aggregating to ₹ 5,896.25 lacs. During the year, MCX-SX has started generating revenue from its existing segment i.e. Currency Derivatives. MCX-SX is awaiting the remaining segment approval i.e. of interest rate derivatives, equity, futures and options on equity and wholesale debt segments from SEBI. Hence, these investments are, in the opinion of the management, considered to be good and valuable, and not due for any of provisioning.

43. RELATED PARTY DISCLOSURE:

I. Names of related parties and nature of relationship:

- i) Entities where control exists (Subsidiaries, including step down subsidiaries)
1. TickerPlant Ltd. (TickerPlant)
 2. IBS Forex Ltd. (IBS)
 3. atom Technologies Ltd. (atom)
 4. Riskraft Consulting Ltd. (Riskraft)
 5. National Spot Exchange Ltd. (NSEL)
 6. National Bulk Handling Corporation Ltd. (NBHC)
 7. FT Group Investments Pvt. Ltd. (FTGIPL)
 8. Financial Technologies Middle East- DMCC (FTME) (Subsidiary of FTGIPL w.e.f. 25th March, 2012; formerly subsidiary of the Company)
 9. Global Board of Trade Ltd. (GBOT) (Subsidiary of FTGIPL w.e.f. 19th March, 2012; formerly subsidiary of the Company)
 10. Knowledge Assets Pvt. Ltd. (KAPL)
 11. Financial Technologies Communications Ltd. (FTCL)
 12. Global Payment Networks Ltd. (GPNL)
 13. FT Knowledge Management Company Ltd. (FTKMCL)
 14. Indian Bullion Market Association Ltd. (Subsidiary of NSEL)
 15. Trans-Global Credit & Finance Ltd. (TGCFL)
 16. Capricorn Fin-Tech (Pvt). Ltd. (Subsidiary of FTME)
 17. Bourse Africa Ltd. (BAL) (Subsidiary of FTGIPL)
 18. Bourse India Ltd. (BIL)
 19. ICX Platform (Pty) Ltd. (ICX)
 20. Credit Market Services Ltd. (CMSL)
 21. Takshashila Academia of Economic Research Ltd. (TAER) (Takshashila)
 22. Apian Finance and Investments Ltd. (Apian)
 23. Bahrain Financial Exchange BSC (c) (BFX) (Subsidiary of FTGIPL)
 24. Financial Technologies Singapore Pte Ltd. (FTSPL)
 25. Singapore Mercantile Exchange PTE Ltd. (SMX) (Subsidiary of FTSPL)
 26. Singapore Mercantile Exchange Clearing Corporation PTE Ltd. (SMX-CCL) (Subsidiary of SMX)
 27. BFX Clearing & Depository Corporation BSC© (Subsidiary of BFX)
 28. FT Projects Ltd. (w.e.f. 18th May, 2010)
 29. Financial Technologies Projects Pvt. Ltd. (w.e.f. 23rd April, 2010)
 30. ICX Africa Ltd. (subsidiary of BAL) (w.e.f. 26th July, 2011)
 31. Bourse Exchange Nigeria Ltd. (Subsidiary of BAL)
 32. Bourse Africa (Kenya) Ltd. (Subsidiary of BAL)
 33. Bourse Uganda Ltd. (Subsidiary of BAL)
 34. Bourse Zambia Ltd. (Subsidiary of BAL)
 35. Bourse Tanzania Ltd. (Subsidiary of BAL)
- ii) Associate Companies:
1. Multi Commodity Exchange of India Ltd. (MCX)
 2. MCX- Stock Exchange Clearing Corporation Ltd. (MCX-SX CCL)
 3. Indian Energy Exchange Ltd. (IEX)
 4. SME Exchange of India Ltd. (SME) (w.e.f. 26th Sept., 2011)
- iii) Joint Venture Companies:
1. Dubai Gold and Commodities Exchange (DGCX) – Jointly controlled in which Company holds 18.60% Share Capital.

Notes

forming part of the financial statements for the year ended 31st March, 2012

iv) Key Management Personnel

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

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

- Mr. Manjay Shah : Director - Business Development*
*Non-board member

vi) Entity over which key management personnel is able to exercise significant influence
La-fin Financial Services Pvt. Ltd. (La-fin)

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

Nature of Transaction	(₹ lacs)		
	Subsidiary Companies	Associate Companies	Joint Venture Company
1. Loan given:			
Opening balance	10,311.75	-	-
	(7,721.27)	(-)	(-)
Given during the year	31,695.00	-	-
	(10,176.49)	(-)	(-)
Repaid / adjusted during the year	11,571.05	-	-
	(7,586.01)	(-)	(-)
Converted into equity by TickerPlant	1,275.00	-	-
	(-)	(-)	(-)
Balance as at end of the year	29,160.70	-	-
	(10,311.75)	(-)	(-)
2. Income from software products (IPR based license)	166.09	87.64	-
	(133.22)	(98.18)	(-)
3. Income from software services (Project based)	17,093.94	10,776.56	398.24
	(13,430.18)	(8,363.68)	(394.93)
4. Sale of traded goods	89.98	3.33	-
	(83.21)	(34.21)	(-)
5. Other Operating revenues			
Business Support Services	435.60	240.00	-
	(578.40)	(960.00)	(-)
IT infrastructure sharing income	61.31	61.38	-
	(90.48)	(92.98)	(-)
Others	1.54	21.28	-
	(20.66)	(9.01)	(-)
6. Other Income			
Interest income	704.29	-	-
	(647.45)	(-)	(-)
Rental income from operating leases	362.24	-	-
	(212.85)	(-)	(-)
Dividend Income	-	886.58	-
	(-)	(636.14)	(-)
7. Sale of Tangible Assets	22.43	1.38	-
	(21.81)	(17.71)	(-)

Notes

forming part of the financial statements for the year ended 31st March, 2012

Nature of Transaction	(₹ lacs)		
	Subsidiary Companies	Associate Companies	Joint Venture Company
8. Purchase of Tangible Assets	14.48 (12.54)	2.64 (177.62)	- (-)
9. Purchase of Intangible Assets from TickerPlant	1,800.00 (-)	- (-)	- (-)
10. Recoveries charged by the Company towards expenses (Refer Note 27)	647.99 (1,334.37)	607.53 (363.24)	- (-)
11. Reimbursement of expenses charged to the Company			
- by MCX relating to Offer for Sale by the Company as part of the public issue of MCX.	- (-)	1,375.51 (145.50)	- (-)
- other expenses	175.10 (156.89)	130.72 (399.39)	- (-)
12. Advances			
- Balance as at the end of the year	59.14 (399.51)	- (0.26)	- (-)
13. Current Liabilities as at the end of the year			
- Trade payables	8.35 (1.47)	- (1.98)	- (-)
- Income received in advance / unearned revenue	753.22 (484.51)	159.67 (111.50)	33.91 (32.12)
- Advances from Customers	10,614.97 (893.00)	- (-)	- (-)
14. Security Deposits refunded by the Company	- (308.10)	- (-)	- (-)
15. Security Deposits charged to the Company by MCX	- (-)	- (119.10)	- (-)
16. Trade receivables			
- Balance as at end of the year	2,195.85 (1,795.55)	- (-)	431.70 (188.80)
17. Guarantees given by the Company on behalf of subsidiaries			
Increase in guarantees given	8,230.72 (72,602.50)	- (-)	- (-)
Decrease in guarantees given	16,950.00 (-)	- (-)	- (-)
Balance as at end of the year	66,657.97 (75,377.25)	- (-)	- (-)
18. Investments made during the year			
Subscription to Equity / Ordinary shares	11,535.34 (3,505.08)	4.90 (-)	- (-)
Purchase of Equity / Ordinary shares	6.78 (1,592.18)	- (-)	- (-)
Conversion of loan granted into Equity / Ordinary shares by Ticker plant	1,275.00 (-)	- (-)	- (-)
Subscription to optionally convertible preference shares	5,504.50 (-)	- (-)	- (-)
19. Receipt on sale / reduction of Equity / Ordinary shares	6,851.95 (-)	- (-)	- (-)

Notes

forming part of the financial statements for the year ended 31st March, 2012

Nature of Transaction	(₹ lacs)		
	Subsidiary Companies	Associate Companies	Joint Venture Company
20. Receipt on sale / redemption of optionally convertible preference shares from FTGIPL	43,624.42 (-)	- (-)	- (-)
21. Equity investment reduced during the year (Refer Note 41)	13,403.94 (-)	- (-)	- (-)
22. Transfer of Equity Shares of Singapore Mercantile Exchange PTE Ltd (SMX) in exchange of Equity Shares of Financial Technologies Singapore Pte Ltd (FTSPL)	- (27,805.20)	- (-)	- (-)
23. Provision for other than temporary diminution in the value of Investments made during the year	- (3,210.00)	- (-)	- (-)
24. Investment balance as at end of the year	-	-	-
Cost	60,592.41 (103,791.27)	2,554.70 (2,761.31)	828.78 (828.78)
Provision for other than temporary diminution in the value of Investments	1,737.26 (8,900.26)	- (-)	- (-)
Net Carrying value of Investments	58,855.14 (94,891.01)	2,554.70 (2,761.31)	828.78 (828.78)

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

Nature of Transaction	(₹ lacs)		
	Key Managerial Personnel	Relatives of Key Managerial Personnel	Entity over which the key management personnel is able to exercise significant influence
1. Salary and Allowances	1,727.71 (1,142.43)	60.00 (60.00)	- (-)
2. Dividend paid during the year	671.20 (671.20)	6.15 (6.15)	983.63 (975.31)

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

a) Key Managerial personnel

Nature of Transaction	(₹ in lacs)	
	Key Managerial Personnel	
Salary and Allowances		
Jignesh Shah	1,551.38 (965.78)	
Dewang Neralla	176.33 (176.66)	
Dividend paid		
Jignesh Shah	666.37 (666.37)	

Financial Technologies (India) Ltd.

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Notes

forming part of the financial statements for the year ended 31st March, 2012

44. LOANS AND ADVANCES IN THE NATURE OF LOANS (AS REQUIRED BY CLAUSE 32 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES)

Name of the Company		Balance as on 31.03.12	Balance as on 31.03.11	(₹ lacs) Maximum amount outstanding during the year
National Bulk Handling Corporation Ltd.	Subsidiary	-	-	227.08 (305.20)
National Spot Exchange Ltd.	Subsidiary	2.64 [#]	3,100.31 [#]	3,104.66 (3,993.34)
TickerPlant Ltd.	Subsidiary	328.49 [#]	1,811.06	3,080.90 (3,041.68)
Riskraft Consulting Ltd.	Subsidiary	-	-	0.99 (209.03)
atom Technologies Ltd.	Subsidiary	923.78 [#]	2,252.00	2,432.42 (2,252.00)
Financial Technologies Communications Ltd.	Subsidiary	-	205.00	205.58 (320.99)
Indian Energy Exchange Ltd.	Associate	-	0.26 [#]	7.47 (86.61)
FT Group Investments Pvt. Ltd.	Subsidiary	23,046.91	-	23,046.91 (12.06)
Singapore Mercantile Exchange PTE Ltd.	Step down Subsidiary	-	169.96 [#]	187.69 (169.96)
FT Knowledge Management Company Ltd.	Subsidiary	104.79	94.00	876.13 (370.80)
Trans-Global Credit & Finance Ltd.	Subsidiary	1.00	1.00	1.05 (3.05)
Apian Finance & Investment Ltd	Subsidiary	3,270.00	2,625.00	4,360.00 (2,890.59)
Credit Market Services Ltd	Subsidiary	19.00	19.00	20.68 (40.14)
Takshashila Academia of Economic Research Ltd.	Subsidiary	149.00	292.00	293.89 (345.24)
Global Board of Trade Ltd.	Step down Subsidiary	-	3.99 [#]	2,569.89 (38.89)
Bourse Africa Ltd.	Step down Subsidiary	-	2.55 [#]	2.55 (2.55)
Financial Technologies Middle East DMCC	Step down Subsidiary	-	-	109.10 (2,677.09)
ICX Platform (PTY) Ltd.	Subsidiary	142.16	120.85	142.16 (131.55)
Multi Commodity Exchange of India Ltd	Associate	-	-	2,288.75 (200.65)
MCX SX Clearing Corporation Ltd.	Associate	-	-	1.01 (0.94)
Indian Bullion Market Association Ltd	Step down Subsidiary	0.03 [#]	0.05 [#]	41.22 (43.98)
Financial Technologies Singapore Pte Ltd.	Subsidiary	1,232.04	-	1,232.04 (-)
Bahrain Financial Exchange (BSC)	Step down Subsidiary	-	14.49 [#]	31.98 (21.83)

[#]Includes non-interest bearing advances

- Notes:
- Loans to employees as per the Company's policy are not considered.
 - None of the loanees has made investments in the shares of the Company.
 - Figures given in brackets pertain to previous year.

Notes

forming part of the financial statements for the year ended 31st March, 2012

45. STOCK BASED COMPENSATION:

- a) During the year, Remuneration and Compensation Committee ("Committee") of the Company at their meeting held on 14th March, 2012 has considered and approved the grant of 900,000 Stock Options ("Options") each under the Employee Stock Option Scheme – 2009 & 2010 totalling to 1,800,000 options at a price of ₹ 770/- to the eligible employees / Directors of the Company and its Subsidiaries ("Employees") in terms of SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended from time to time and as approved by the Shareholders at the Annual General Meetings of the Company held on 25th September, 2009 & 29th September, 2010 respectively.

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

Schemes	Grant Date	No. of Options Granted	Exercise Price in ₹	Vesting Period
ESOP 2005	31 st October , 2005	440,000	981.60	31.10.2005 - 30.10.2006
			981.60	31.10.2005 - 30.10.2007
			981.60	31.10.2005 - 30.10.2008
			981.60	31.10.2005 - 30.10.2009
			981.60	31.10.2005 - 30.10.2010
ESOP 2009	14 th March, 2012	900,000	770.00	14.03.2012 - 13.03.2013
			770.00	14.03.2012 - 13.03.2014
			770.00	14.03.2012 - 13.03.2015
ESOP 2010	14 th March, 2012	900,000	770.00	14.03.2012 - 13.03.2013
			770.00	14.03.2012 - 13.03.2014
			770.00	14.03.2012 - 13.03.2015

Each option entitles the holder to exercise the right to apply for and seek allotment of one equity share of ₹ 2/- each. The intrinsic value of each option is nil, since the options were granted at the market price of the equity shares on the date of grant. The options have vesting periods as stated above in accordance with the vesting and exercise schedule as per the approved scheme subject to the maximum period of three (3) years / five (5) years from the date of grant of options.

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

Particulars	ESOP 2005 (Nos.)	ESOP 2009 (Nos.)	ESOP 2010 (Nos.)
Options outstanding as at the beginning of the year	-	-	-
	(12,525)	(-)	(-)
Options granted during the year	-	900,000	900,000
	(-)	(-)	(-)
Options exercised during the year	-	-	-
	(-)	(-)	(-)
Options lapsed / forfeited / cancelled during the year	-	-	-
	(12,525)	(-)	(-)
Options outstanding as at the year-end	-	900,000	900,000
	(-)	(-)	(-)
Options exercisable as at the year-end	-	-	-
	(-)	(-)	(-)

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forming part of the financial statements for the year ended 31st March, 2012

- b) The Company has followed the intrinsic value-based method of accounting for stock option. Had the compensation cost of the Company's 'stock based compensation plan' been determined using the fair value approach, the Company's net profit for the year would have been lower by ₹ 114.22 lacs (Previous Year lower by ₹ 244.44 lacs) and earnings per share would have been lower as indicated below:

Particulars	(₹ lacs)	
	Current Year	Previous Year
Net profit for the year (₹ lacs)	47,802.93	9,193.47
Less: Total stock-based employee compensation expense determined under fair value based method	114.22	244.44
Adjusted net profit for basic & diluted EPS	47,688.71	8,949.03
Weighted average no. of shares : Basic & diluted	46,078,537	46,078,537
Basic and diluted earnings per share (face value ₹ 2 /- per share)		
-As reported (in ₹) basic & diluted	103.74	19.95
-As adjusted (in ₹) basic & diluted	103.49	19.42

The fair value of each option on the date of grant / modification is ₹ 483.88/ ₹ 794.25 under ESOP Scheme 2005 and ₹ 249.05 under ESOP Scheme - 2009 & 2010 using the Black-Scholes Option Pricing Formula, considering the following parameters:

Particulars	ESOP 2005 (Nos.)	ESOP 2009 (Nos.)	ESOP 2010 (Nos.)
(i) Expected volatility	64.48% to 86.41%	42.18% to 45.94%	42.18% to 45.94%
(ii) Option life	3 years - 5 years	1.13 years - 3.13 years	1.13 years - 3.13 years
(iii) Dividend yield	0.41%	0.68%	0.68%
(iv) Risk-free interest rate	5.98% to 6.41%	8.13% to 8.18%	8.13% to 8.18%
(v) Expected volatility is based on the historical volatility of the share prices over the period that is commensurate with the expected term of the option.			

46. EMPLOYEE BENEFIT PLANS:

Defined contribution plans: Amounts recognised as expenses towards contributions to provident fund, employee state insurance corporation and other funds by the Company are ₹ 265.30 lacs (Previous Year ₹ 281.61 lacs).

Post employment defined benefit plans:

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

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

Particulars	(₹ lacs)	
	Current Year	Previous Year
I. Change in benefit obligation		
Projected benefit obligation at the beginning of the year	775.73	667.03
Interest Cost	64.00	50.03
Current Service Cost	150.50	166.02
Benefits Paid	(96.72)	(56.87)
Actuarial (gain) / loss on obligations	25.32	(30.37)
Obligation transferred / settled	28.98	(20.11)
Projected benefit obligation at the end of the year	947.81	775.73
II. Change in plan assets		
Fair Value of the plan asset at beginning of the year	593.89	452.59
Expected return on plan assets	49.00	33.94
Contributions	170.07	158.21
Benefits paid	(96.71)	(56.87)

Notes

forming part of the financial statements for the year ended 31st March, 2012

Particulars	(₹ lacs)				
	Current Year	Previous Year			
Actuarial gain on plan assets	5.17	6.01			
Fair value of plan assets at the end of the year	721.41	593.88			
Excess of obligation over plan assets	(226.40)	(181.85)			
III. Gratuity expense for the year					
Current service cost	150.50	166.02			
Interest cost	64.00	50.03			
Expected return on plan assets	(49.00)	(33.94)			
Net actuarial (gain) / loss recognized	20.15	(36.38)			
TOTAL	185.65	145.73			
IV. Actual return on plan assets	54.17	39.95			
V. Category of Assets as at end of the year					
Insurer Managed Funds	721.41	593.88			
Fund is managed by LIC of India as per IRDA guidelines, category wise composition of planned asset is not available					
TOTAL	721.41	593.88			
VI. Assumptions					
Discount rate	8.75%	8.25%			
Salary escalation rate	7.50%	7.50%			
Expected rate of return on plan assets	8.75%	8.25%			
VII. Experience adjustments	2012	2011	2010	2009	2008
Defined benefit obligation	947.81	775.73	667.03	535.48	202.08
Fair value of planned assets	721.41	593.88	452.59	349.29	138.67
Deficit	226.40	181.85	214.44	186.19	63.41
Experience adjustment on plan liabilities [(Gain)/Loss]	71.26	68.23	(26.59)	19.02	9.31
Experience adjustment on plan assets [Gain/(Loss)]	5.17	6.01	4.28	1.78	1.10

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

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

The Company expects to contribute ₹ 226.40 lacs to the plan assets during financial year 2012-13.

Notes

forming part of the financial statements for the year ended 31st March, 2012

47. JOINT VENTURE DISCLOSURE:

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

Name of the Entity	: Dubai Gold and Commodities Exchange DMCC ('DGCX')
Country of Incorporation	: United Arab Emirates
% Holding	: 18.60% (Previous Year 18.60%)

b. Company's share of interest in the assets, liabilities, income and expenses and contingent liabilities and commitments with respect to JCE on the basis of unaudited financial statements of the JCE as at and for the year ended 31st March, 2012:

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

Particulars	(₹ lacs)
I. Assets	
1. Fixed Assets	83.10 (74.51)
2. Current Assets	
a) Trade receivables	44.01 (-)
b) Cash and Bank Balances	5,189.98 (2,928.64)
c) Short term Loans and Advances	26.03 (14.67)
d) Other Current Assets	41.03 (32.87)
II. Liabilities	
1. Trade payables	767.93 (251.63)
2. Other Current Liabilities	4,767.27 (2,671.34)
3. Short term provisions	198.49 (139.79)
III. Income	
1. Admission Fees	89.53 (37.22)
2. Transaction Fees	290.61 (103.75)
3. Interest Income	107.64 (70.29)
4. Other Income	13.64 (16.40)
IV. Expenses	
1. Employee benefits expenses	445.41 (357.73)
2. Depreciation and amortisation expenses	39.84 (63.18)
3. Other Expenses	328.21 (330.49)
V. Contingent liabilities	- (-)
VI. Capital and other commitments	- (-)

Previous year figures are given in brackets.

Notes

forming part of the financial statements for the year ended 31st March, 2012

48. REMITTANCE IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND:

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

Year to which the dividend relates	Number of non resident shareholders	Number of Shares held by non resident shareholders on which dividend is due	Amount of dividend paid to Non Resident shareholders (Amount in ₹ lacs)
Dividends paid during 2011-12			
2011-12 (1 st Interim Dividend)	667	11,189,261	223.79
2011-12 (2 nd Interim Dividend)	672	10,793,328	215.87
2011-12 (3 rd Interim Dividend)	688	10,371,909	207.44
2010-11 (Final Dividend)	662	11,206,655	224.13
Dividends paid during 2010-11			
2010-11 (1 st Interim Dividend)	588	12,251,661	245.03
2010-11 (2 nd Interim Dividend)	696	11,229,128	224.58
2010-11 (3 rd Interim Dividend)	708	11,116,942	222.34
2009-10 (Final Dividend)	607	11,870,273	237.41

49. The Revised Schedule VI has become effective from 1st April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board.

Jignesh Shah
Chairman & Managing Director

Chandrakant Kamdar
Director

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

Place : Mumbai
Date : 30th May, 2012

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Consolidated Financial Statements

AUDITORS' REPORT

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

1. We have audited the attached Consolidated Balance Sheet of **FINANCIAL TECHNOLOGIES (INDIA) LIMITED** ("the Company"), its subsidiaries and jointly controlled entity (the Company, its subsidiaries and jointly controlled entity constitute "the Group") as at 31st March, 2012, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement of the Group for the year ended on that date, both annexed thereto. The Consolidated Financial Statements include investments in associates accounted on the equity method in accordance with Accounting Standard 23 (Accounting for Investments in Associates in Consolidated Financial Statements) and the jointly controlled entity accounted in accordance with Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006. These financial statements are the responsibility of the Company's Management and have been prepared on the basis of the separate financial statements / consolidated financial statements in respect of certain subsidiary groups, and other financial information regarding components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. (a) We did not audit the financial statements of: (i) any of the subsidiaries, whose financial statements reflect total assets of ₹ 95,916.34 lacs as at 31st March, 2012, total revenues of ₹ 26,952.67 lacs and net cash outflow amounting to ₹ 50,119.20 lacs for the year ended on that date; and (ii) any of the associates, whose financial statements reflect the Group's share of profit of ₹ 10,283.12 lacs for the year ended 31st March, 2012; as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion in so far as it relates to the amounts included in respect of these subsidiaries and associates is based solely on the reports of the other auditors.

- (b) As stated in Note 2(C)(3) to the Consolidated Financial Statements, the Consolidated Financial Statements include the unaudited financial statements of its only joint venture company, whose financial statements reflect the Group's share of total assets of ₹ 11,107.63 lacs as at 31st March, 2012, total revenues of ₹ 1,051.35 lacs and net cash inflow amounting to ₹ 830.38 lacs for the year ended on that date as considered in the Consolidated Financial Statements.

4. Without qualifying our opinion, we draw attention to:
 - (a) Note 41 to the Consolidated Financial Statements regarding the Company and its associate's stand that no tax liability is expected as a consequence to a court approved reduction-cum arrangement scheme of MCX Stock Exchange Limited based on independent legal / tax counsel's opinion as stated in the said Note;
 - (b) Note 46 to the Consolidated Financial Statements regarding goodwill on consolidation of ₹ 745.53 lacs, in respect of certain subsidiaries acquired in earlier years, carried at cost and provision for impairment is not considered to be necessary by the Management for the reasons stated in the said Note;
 - (c) Note 38 to the Consolidated Financial Statements, as made by the auditors of a subsidiary group, regarding amount of ₹ 777.59 lacs recoverable from National Agricultural Co-operative Marketing Federation of India Limited (NAFED) and provision for doubtful advances is not considered to be necessary by the subsidiary's management for the reasons stated in the said Note;
 - (d) Note 44 to the Consolidated Financial Statements, as made by the auditors of an associate company in which the Company has 26% equity shareholding and is accounted under the equity method of accounting, regarding treatment of members' margin and income thereon, pending response from FMC on the associate company's representations on Settlement Guaranteed Fund Guidelines, 2007; and
 - (e) Emphasis of Matter made by the auditors of two of the subsidiaries regarding preparation of the financial statements of these subsidiaries on going concern basis whose financial statements reflect aggregate accumulated losses of ₹ 390.00 lacs which is inter alia dependent on availability of funds to finance future operations.

AUDITORS' REPORT

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

5. We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 (Consolidated Financial Statements), Accounting Standard 23 (Accounting for Investments in Associates in Consolidated Financial Statements) and Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006.

6. Based on our audit and on consideration of the separate audit reports on individual financial statements of the Company and its aforesaid subsidiaries and associates / consolidated financial statements in respect of certain subsidiary groups, and to the best of our information and according to the explanations given to us, in our opinion, read with paragraph 4 above and subject to our comment in paragraph 3(b) above regarding the inclusion of unaudited financial statements of the joint venture company, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i. in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2012;
 - ii. in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
 - iii. in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For DELOITTE HASKINS & SELLS

Chartered Accountants

(Registration No. 117366W)

Rajesh K Hiranandani

Partner

(Membership No. 36920)

MUMBAI, 30th May, 2012

Consolidated Balance Sheet

as at 31st March, 2012

	Note No.	As at 31.03.2012	As at 31.03.2011
(₹ lacs)			
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	3	921.57	921.57
(b) Reserves and surplus	4	171,876.01	154,611.47
		172,797.58	155,533.04
2. Minority interest		1,489.39	1,470.42
3. Non-current liabilities			
(a) Long-term borrowings	5	115,736.52	51,440.49
(b) Deferred tax liabilities (net)	6	1,819.10	1,216.17
(c) Other long-term liabilities	7	614.78	180.95
(d) Long-term provisions	8	1,690.39	702.31
		119,860.79	53,539.92
4. Current liabilities:			
(a) Short-term borrowings	9	8,865.88	10,923.81
(b) Trade payables	10	7,772.36	6,830.01
(c) Other current liabilities	11	57,441.07	70,459.64
(d) Short-term provisions	12	2,314.52	19,787.64
		76,393.83	108,001.10
TOTAL		370,541.59	318,544.48
II. ASSETS			
1. Non-current assets			
(a) Fixed assets:	13		
(i) Tangible assets		49,424.32	42,673.17
(ii) Intangible assets		838.92	1,190.89
(iii) Intangible assets under development		8.27	-
(iv) Capital work-in-progress		261.53	2,094.78
		50,533.04	45,958.84
(b) Goodwill on consolidation		1,356.18	1,408.46
(c) Non-current investments	14	54,782.88	43,287.77
(d) Long-term loans and advances	15	26,906.66	20,704.28
(e) Other non-current assets	16	6,685.61	1,760.66
		140,264.37	113,120.01
2. Current assets			
(a) Current investments	17	109,067.29	77,442.49
(b) Inventories	18	18,490.05	15,443.38
(c) Trade receivables	19	7,246.17	15,122.17
(d) Cash and cash equivalents	20	66,819.77	80,324.67
(e) Short-term loans and advances	21	24,613.14	14,029.71
(f) Other current assets	22	4,040.81	3,062.05
		230,277.23	205,424.47
TOTAL		370,541.59	318,544.48
See accompanying notes forming part of the consolidated financial statements	1 to 56		

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

Rajesh K Hiranandani
Partner

Place : Mumbai
Date : 30th May, 2012

For and on behalf of the Board.

Jignesh Shah
Chairman & Managing Director

Chandrakant Kamdar
Director

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

Place : Mumbai
Date : 30th May, 2012

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2012

	Note No.	Year Ended 31.03.2012	Year Ended 31.03.2011
Revenue from operations	23	50,123.37	40,790.67
Other income	24	33,306.66	14,548.23
Total revenue		83,430.03	55,338.90
Expenses			
Purchases of stock-in-trade	25	290.48	498.41
Changes in inventory of stock-in-trade	26	(5.49)	(2.84)
Employee benefits expense	27	24,687.01	26,376.54
Finance costs	28	6,717.77	766.56
Depreciation and amortisation expense	29	3,164.04	3,027.26
Other expenses	30	26,067.03	25,723.27
Total expenses		60,920.84	56,389.20
Profit / (Loss) before exceptional item and tax		22,509.19	(1,050.30)
Exceptional item (Refer Note 35)		-	20,916.50
Profit / (Loss) before tax		22,509.19	(21,966.80)
Tax expense / (credit)			
(a) Current tax expense for current year		11,099.82	2,727.42
(b) Less: MAT credit		(6,603.50)	-
(c) Current tax expense relating to prior years		1,109.65	207.32
(d) Tax effect on exceptional item (Refer Note 35)		-	(7,109.52)
(e) Net current tax expense / (credit)		5,605.97	(4,174.78)
(f) Deferred Tax		602.93	2,016.70
		6,208.90	(2,158.08)
Profit / (Loss) after tax before share of results of associates and minority interest		16,300.29	(19,808.72)
Net share of profit in associates (equity method)		10,283.12	6,315.36
Net minority interest in profit of subsidiaries		(178.17)	(187.05)
Profit / (Loss) for the year		26,405.24	(13,680.41)
Earnings per share:	49		
Basic and diluted per share (in ₹)		57.30	(29.69)
Face Value Per Share (in ₹)		2	2
See accompanying notes forming part of the consolidated financial statements	1 to 56		

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

Rajesh K Hiranandani
 Partner

Place : Mumbai
 Date : 30th May, 2012

For and on behalf of the Board.

Jignesh Shah
 Chairman & Managing Director

Chandrakant Kamdar
 Director

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

Place : Mumbai
 Date : 30th May, 2012

Consolidated Cash Flow Statement

for the year ended 31st March, 2012

(₹ lacs)

	Year Ended 31.03.2012		Year Ended 31.03.2011	
A. Cash flow from operating activities				
Net profit / (loss) before tax		22,509.19		(21,966.80)
Adjustments for:				
Depreciation and amortisation expense	3,164.04		3,027.26	
Profit on sale of partial stake in an associate company	(19,660.61)		(1,858.42)	
Profit on sale of other investments (net)	(1,928.91)		(5,044.87)	
Loss on disposal / write off of fixed assets (net)	270.74		199.13	
Exceptional item (Refer Note 35)	-		20,916.50	
Bad trade receivables / advances written off and provision for doubtful trade receivable / advances (net)	1,130.38		860.48	
Reversal of write down in value of current investments (net)	(12.64)		(50.37)	
Dividend income	(4,714.04)		(3,990.54)	
Finance costs	6,717.31		696.22	
Exchange rate fluctuations- loss / (gain)	2,608.77		(771.10)	
Interest income	(2,183.38)	(14,608.34)	(1,596.27)	12,388.02
Operating profit / (loss) before working capital changes		7,900.85		(9,578.78)
Changes in working capital:				
Inventories	(3,166.72)		(15,084.56)	
Trade and other receivables	(4,621.46)		(15,705.02)	
Trade payables and provisions	31,528.83	23,740.65	17,726.58	(13,063.00)
Cash generated from / (used in) operations		31,641.50		(22,641.78)
Net income tax paid		(6,244.99)		(4,656.31)
Net cash flow from operating activities		25,396.51		(27,298.09)
B. Cash flow from investing activities				
Capital expenditure on fixed assets including capital advances		(4,328.81)		(26,408.11)
Proceeds from sale of fixed assets	201.95		3,487.91	
Proceeds from partial sale of stake in an associate company (net of brokerage) (Refer Note 34)	25,193.63		2,098.93	
Purchases of investments	(411,318.74)		(371,016.17)	
Acquisition of subsidiary and investment in subsidiaries	(106.92)		(1,896.79)	
Purchase of investments in associate	-		(4.90)	
Proceeds from sale of investments	374,576.76		391,918.39	
Increase / (decrease) in fixed deposit with banks	(507.11)		(5,414.99)	
Payment to financial institution on exercise of right to reset price of investment in shares sold (Refer Note 35)	-		(20,916.50)	
Interest income	2,272.80		1,314.96	
Dividend income from associate companies	886.58		636.14	
Dividend income	4,751.00		3,953.83	
Cash used in Investing activities		(8,378.86)		(22,247.30)
Net income tax paid		(3,522.59)		(641.36)
Net cash used in Investing activities		(11,901.45)		(22,888.66)
C. Cash flow from financing activities				
Repayment of Zero Coupon Convertible Bonds including premium on redemption and withholding tax thereon		(71,662.68)		-
Repayment of other borrowings		(12,962.96)		(1,024.64)
Increase / (decrease) in working capital demand loan		(240.53)		1,085.51
Proceeds from other borrowings		57,321.25		67,621.12
Dividend paid during the year (including dividend tax)		(4,277.09)		(4,289.65)
Proceeds from issue of shares to minority shareholders in subsidiaries		-		66.10
Finance costs		(7,118.41)		(3,062.24)
Cash generated from / (used in) financing activities		(38,940.42)		60,396.20
Net increase / (decrease) in cash and cash equivalents (A+B+C)		(25,445.36)		10,209.45
Cash and cash equivalents (opening balance)		65,719.64		55,510.19
Cash and cash equivalents (closing balance)		40,274.28		65,719.64

Consolidated Cash Flow Statement

for the year ended 31st March, 2012

Notes to cash flow statement:	Current Year	Previous Year
		(₹ lacs)
1. Cash and Cash equivalents	40,274.28	65,719.64
Effect on exchange differences on restatement of foreign currency cash and cash equivalents	10,710.32	(463.37)
Cash and cash equivalents (Refer Note 20)	50,984.60	65,256.27

2. Fixed deposits with banks with maturity period of more than three months are classified and grouped in investing activities and not included in cash and cash equivalents.
3. The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard AS-3 "Cash Flow Statement".
4. Previous year figures have been regrouped wherever necessary to correspond with the figures of the current year.

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

Rajesh K Hiranandani
Partner

Place : Mumbai
Date : 30th May, 2012

For and on behalf of the Board.

Jignesh Shah
Chairman & Managing Director

Chandrakant Kamdar
Director

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

Place : Mumbai
Date : 30th May, 2012

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2012

1. GENERAL INFORMATION

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

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

2. SIGNIFICANT ACCOUNTING POLICIES:

A. Basis of preparation of financial statements

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

The financial statements of subsidiaries, associates and joint venture companies used in the consolidation are drawn upto the same reporting date as that of the Parent Company, viz 31st March, 2012.

B. Use of estimates

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

C. Principles of consolidation

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

(1) Investments in subsidiaries:

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

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2012

f) The subsidiary companies considered in the presentation of the consolidated financial statements are:

Sr. No.	Name of Subsidiaries	Country of incorporation	Proportion of Ownership Interest (Current year)	Proportion of Ownership Interest (Previous year)
1.	atom Technologies Limited (atom)	India	96.62%	99.62%
2.	IBS Forex Limited (IBS)	India	86.29%	86.29%
3.	National Spot Exchange Limited (NSEL)	India	99.99%	99.99%
4.	Indian Bullion Market Association Limited (subsidiary of NSEL)	India	60.88%	*49.00%
5.	National Bulk Handling Corporation Limited (NBHC)	India	92.68%	92.68%
6.	Tickerplant Limited (Tickerplant)	India	97.59%	100.00%
7.	Riskraft Consulting Limited (Riskraft)	India	100.00%	100.00%
8.	Financial Technologies Middle East DMCC (FTME) (subsidiary of FTGIPL w.e.f 25 th March, 2012) (formerly subsidiary of Financial Technologies (India) Limited)	U.A.E.	100.00%	100.00%
9.	Financial Technologies Projects Pvt. Ltd. (FTPPL) (w.e.f 23 rd April, 2010)	Mauritius	100.00%	100.00%
10.	Capricorn Fin-Tech (Private) Limited (Subsidiary of FTME)	Bangladesh	99.99%	99.99%
11.	Bahrain Financial Exchange BSC (c) (BFX) (Subsidiary of FTGIPL w.e.f 9 th November, 2010, subsidiary of FTME upto 8 th November, 2010)	Kingdom of Bahrain	100.00%	100.00%
12.	Financial Technologies Communications Limited (FTCL)	India	100.00%	100.00%
13.	Global Payment Networks Limited (GPNL)	India	100.00%	100.00%
14.	FT Knowledge Management Company Limited (FTKMCL)	India	100.00%	100.00%
15.	Trans-Global Credit & Finance Limited (TGCFI)	India	100.00%	100.00%
16.	FT Group Investments Pvt. Ltd. (FTGIPL)	Mauritius	100.00%	100.00%
17.	Boursa Africa Limited (BAL) (subsidiary of FTGIPL)	Botswana	99.98%	74.00%
18.	Knowledge Assets Pvt. Ltd. (KAPL)	Mauritius	100.00%	100.00%
19.	Global Board of Trade Limited (GBOT) (subsidiary of FTGIPL w.e.f 19 th March, 2012) (formerly subsidiary of Financial Technologies (India) Limited)	Mauritius	100.00%	100.00%
20.	Singapore Mercantile Exchange Pte. Ltd. (SMX) (subsidiary of FTSPPL w.e.f 23 rd July, 2010) (formerly subsidiary of Financial Technologies (India) Limited)	Singapore	100.00%	100.00%
21.	Singapore Mercantile Exchange Clearing Corporation Pte. Ltd. (SMX-CCL) (subsidiary of SMX)	Singapore	100.00%	100.00%
22.	ICX Platform (Pty) Limited (ICX)	South Africa	90.00%	*90.00%
23.	Credit Market Services Limited (CMSL)	India	99.99%	99.99%
24.	Apian Finance & Investment Limited (Apian)	India	99.99%	99.99%
25.	Takshashila Academia of Economic Research Limited (TAER)	India	100.00%	100.00%
26.	FT Projects Limited. (FTPL) (w.e.f. 18 th May, 2010)	India	100.00%	100.00%
27.	Boursa India Ltd (BIL)	India	100.00%	100.00%
28.	BFX Clearing & Depository Corporation BSCC (Subsidiary of BFX)	Bahrain	100.00%	100.00%
29.	Financial Technologies Singapore Pte Limited (FTSPL)	Singapore	100.00%	100.00%
30.	Bourse Tanzania Limited (Subsidiary of BAL)	Tanzania	100.00%	100.00%
31.	Bourse Uganda Limited (subsidiary of BAL)	Uganda	100.00%	100.00%
32.	Bourse Africa (Kenya) Limited (subsidiary of BAL)	Kenya	100.00%	100.00%
33.	Bourse Exchange Nigeria Limited (subsidiary of BAL)	Nigeria	100.00%	100.00%
34.	Bourse Zambia Limited (subsidiary of BAL)	Zambia	100.00%	100.00%
35.	ICX Africa Limited (subsidiary of BAL) (w.e.f 26 th July, 2011)	Botswana	100.00%	-

* consolidated by virtue of control over the majority of the Board of Directors as per share purchase agreement entered.

* For the year ended 31st March, 2011, consolidated based on audited financials as at and for the thirteen months ended 31st March, 2011.

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2012

- i) In respect of subsidiaries listed in Sr. No. 1, 2, 6, 7, 18, 20, 22, 23, 25, 29 of para f) above, financial statements have been prepared on a going concern basis, where accumulated losses aggregate ₹ 31,731.40 lacs which is inter alia dependent on availability of funds to finance future operations, achievement of projected higher growth and continued financial support from the ultimate holding company; included therein, subsidiaries listed in Sr. No. 2 and 22 of para f) above, having accumulated losses aggregating ₹ 390.00 lacs where their auditors have drawn emphasis of matter paragraph in their report.
- ii) During the financial year ended 31st March, 2010, certain investments were made by a Group Company viz. BAL in subsidiaries 30 to 34 of para f) above. BAL holds 100% shares of these subsidiaries. Though shares were issued in that year, BAL had not inducted any money into these subsidiaries and hence had not recorded the transactions in its financial records. In the current year, BAL has corrected the error by incorporating these investments into its financial statements for the years ended 31st March 2010 and 31st March 2011 through a prior period adjustment.

However, this prior period adjustment has no effect on the Group financial statements as the investments are eliminated on consolidation.

(2) Investments in Associate Companies:

- a) The consolidated financial statements include the share of profit / loss of associate companies, accounted under the 'Equity method' under which the Group originally records its investment at cost and the carrying amount is increased / decreased to recognise the Group's share of profits / losses / changes directly included in associate's equity after the date of acquisition. An associate is an enterprise in which the investor has significant influence and which is neither a subsidiary nor a joint venture.
- b) The difference between the cost / carrying value of investment in the associates and the share of net assets at the time of acquisition is identified as goodwill or capital reserve, as the case may be and included in the carrying amount of investment and disclosed separately. (Refer Note 34, 42 and 43)

Sr. No.	Name of Associates	Country of incorporation	Proportion of Ownership Interest (Current year)	Proportion of Ownership Interest (Previous year)
1.	Multi Commodity Exchange of India Limited (MCX)	India	26.00%	31.18%
2.	Indian Energy Exchange Limited (IEX)	India	33.49%	33.49%
3.	MCX-SX Clearing Corporation Limited (MCX-SX CCL)	India	23.00%	23.00%
4.	SME Exchange of India Limited (SME) (w.e.f 26 th September, 2011)	India	49.00%	-

(3) Investments in Joint Venture Companies:

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

Name of Entity	Country of incorporation	Proportion of Ownership Interest (Current year)	Proportion of Ownership Interest (Previous year)
Dubai Gold and Commodities Exchange DMCC (DGEX) (including its subsidiary viz. Dubai Commodities Clearing Corporation DMCC)	U.A.E.	39.10%	39.10%

Held by the Parent Company 18.6% and FTGIPL 20.5%: (Previous Year 18.6% and 20.5% respectively)

Refer Note 47 for a statement of the Group's share of interest in the assets, liabilities, income and expenses with respect to the Joint Venture.

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2012

D. Fixed assets (tangible assets)

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

E. Intangible assets

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

F. Borrowing costs

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

G. Operating leases

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

H. Derivative instruments

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

I. Depreciation and amortisation

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

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

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

J. Investments

Current investments are carried at the lower of cost and fair value. Long-term investments other than in Associates are stated at cost less provision for diminution. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management. Associates are accounted using the equity method as stated in policy C (2) above. The difference between carrying amount of the investments determined on the basis of average cost and sale proceeds, net of expense, is recognised as profit or loss on sale of investments.

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K. Revenue recognition

- a) Revenue is recognised when no significant uncertainty as to determination and realisation exists.
- b) Revenues are stated net of returns, trade discounts, VAT, lease tax and service tax wherever applicable.
- c) Sales include sale of products (IPR based licenses), services (project based contracts) and traded goods. Revenue from sale of licenses for the use of software applications is recognised on delivery / granting of right to use.
Revenue from fixed price service contracts is recognised based on milestones / acts performed as specified in the contracts or on a straight line basis over the contract period where performance of several acts is required over that period. In the case of time and material contracts, revenue is recognised on the basis of hours completed and material used.
Revenue from annual maintenance contracts, lease of licenses, IT infrastructure sharing income and Shared Business Support Services is recognised proportionately over the period in which the services are rendered / licenses are leased.
Revenue from sale of traded goods is recognised when the significant risks and rewards in respect of ownership of products are transferred by the Group.
- d) Income from Procurement service charges are levied on value of procurement and are recognised on accrual basis on completion of procurement and processing activity. Commitment fees are recognised upfront on receipt as per the terms of agreement with clients.
- e) In case of exchange related business, Admission fees (non refundable) to the exchange collected from new members for joining the exchange are recognised when the membership is approved. Advances against membership application are only recognised as income when the application has been approved. Annual subscription fees (non refundable) are collected from members and accrued annually. Transaction fees are charged to members based on the volume of transactions entered into by the members through the exchange. These are accrued when orders placed by members on the network are matched and confirmed. Revenue from terminal charges is accrued on creation of new chargeable user identification.
- f) Delivery fees relating to NSEL are charged to members on the basis of trades executed. In case seller members, delivery fees are recognised on accrual basis and in case of buyer members, delivery fees are recognised at the time of withdrawals of commodities from the exchange / exchange accredited warehouses.
- g) Income from consultancy services is recognised when the services are provided.
- h) Service charges include income from various services viz. collateral management services, delivery fees, POS service charges, gateway service charges, demat, revenue from broking, commission, revenue sharing income, coaching and training fees, internet telecommunication charges, data fee and message services which are recognised as and when services are rendered and in the case of gateway service income, on completion of the transaction.
- i) Storage charges are accrued as income on the completion of storage cycle.
- j) Dividend income is recognised when the Group's right to receive the dividend is established. Interest income is recognised on time proportion basis. Insurance claim receivable is recognised when such claim is admitted by the Insurance Company.
- k) Income from derivatives comprises of profit / loss on buy / sell of commodity derivative instruments. Profit / Loss on commodity derivative transactions is accounted for on final settlement or on squaring up of contracts. Profit or Loss is calculated as the difference between settlement / squaring up price and the contract price.

L. Stock based compensation

The compensation cost of stock options granted by the Group is measured by the intrinsic value method, i.e. the difference, if any, between the market price / fair value, as the case may be, of the underlying shares on the date of the grant of options and the exercise price to be paid by the option holders, is amortised uniformly over the vesting period of the options. (Refer Note 36).

M. Foreign currency transactions and translation

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

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

- i. Exchange differences arising during the year, in so far as they relate to the acquisition of a depreciable capital asset

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are added to / deducted from the cost of the asset and depreciated over the balance life of the asset.

- ii. In other cases, such differences are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortised to the Statement of Profit and Loss over the balance life of the long-term monetary item (until previous year, the period of amortisation beyond 31st March, 2011 was not permitted) (Refer Note 33 below).

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

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

Foreign operations

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

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

N. Employee benefits

- a) Post employment benefits and other long term benefits

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

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

- b) Short term employee benefits

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

O. Income taxes

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

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

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P. Inventories

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

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

Q. Impairment of assets

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

R. Provisions, contingent liabilities and contingent assets

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

3. SHARE CAPITAL	As at 31.03.2012		As at 31.03.2011	
	Number of shares	₹ lacs	Number of shares	₹ lacs
Authorised:				
Equity shares of ₹ 2/- each	150,000,000	3,000.00	150,000,000	3,000.00
Issued, subscribed and fully paid up				
Equity shares of ₹ 2/- each	46,078,537	921.57	46,078,537	921.57
TOTAL	46,078,537	921.57	46,078,537	921.57

- a. During the period of five years immediately preceding the reporting date, the Company has issued:
- 321,030 (Previous Year 406,790) Equity shares of ₹ 2/- each fully paid-up to the employees under employee stock option ('ESOP') schemes.
 - 1,662,811 (Previous Year 1,662,811) Equity shares of ₹ 2/- each fully paid-up against Global Depository Receipts ('GDR') issued by the Company.
- b. Rights, preferences and restrictions attached to equity shares:
- The Company has only one class of shares referred to as equity shares having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend recommended by the Board of Directors is subject to the approval of the shareholders at the ensuing annual general meeting, except in the case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in the proportion of equity shares held.

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

	As at 31.03.2012		As at 31.03.2011	
	Number of Equity Shares held	% Holding	Number of Equity Shares held	% Holding
La-fin Financial Services Private Limited	12,329,968	26.76	12,191,418	26.46
Jignesh P. Shah	8,329,585	18.08	8,329,585	18.08
Ravi K. Sheth	2,489,762	5.40	2,492,854	5.41
Reliance Capital Trustee Company Limited*	2,643,339	5.74	2,141,000	4.65
Elliot & Page Limited*	2,619,632	5.69	2,311,249	5.02

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

d. For particulars of options on unissued capital under employee stock option schemes, Refer Note 36.

4. RESERVES AND SURPLUS	As at 31.03.2012	As at 31.03.2011
Capital Reserve		(₹ lacs)
Balance as per last Balance Sheet	147.59	147.59
Capital Reserve on Consolidation		
Balance as per last balance sheet	1,150.77	80.11
Add: Group's share of Securities Premium received on issue of Compulsory Convertible Preference Shares during the year by an associate Company (held outside the group)	-	1,070.66
	1,150.77	1,150.77
Securities Premium Account		
Balance as per last Balance Sheet	45,824.64	48,850.31
Less: Premium on redemption of Zero Coupon Convertible Bonds (ZCCB) [net of tax of ₹ 1,959.03 lacs (Previous Year ₹ 1,505.13 lacs)]	(4,078.03)	(3,025.67)
	41,746.61	45,824.64
General Reserve		
Balance as per last Balance Sheet	32,321.85	31,081.85
Add: Transferred from Statement of Profit and Loss	5,260.00	1,240.00
	37,581.85	32,321.85
Foreign Currency Translation Reserve		
Balance as per last Balance Sheet	1,108.42	808.83
(Less) / Add : Effect of foreign exchange rate variation during the year	(778.38)	299.59
	330.04	1,108.42
Statutory Reserve		
Balance as per last Balance Sheet	11.67	4.12
Add: Transferred from Statement of Profit and Loss	6.98	7.55
	18.65	11.67
Surplus in Statement of Profit and Loss		
Balance as per last Balance Sheet	74,046.53	93,265.90
Profit / (Loss) for the year	26,405.24	(13,680.41)
Less: Appropriations		
Interim Dividend [₹ 6/- per share (Previous Year ₹ 6/- per share)]	2,764.71	2,764.71
Final Dividend (Proposed) [₹ 2/- per share (Previous Year ₹ 2/- per share)]	921.57	921.57
Tax on Dividend	598.01	605.13
Transfer to General reserve	5,260.00	1,240.00
Transfer to Statutory reserve	6.98	7.55
Total Appropriations	9,551.27	5,538.96
Net surplus in Statement of Profit and Loss	90,900.50	74,046.53
TOTAL	171,876.01	154,611.47

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5. LONG-TERM BORROWINGS	As at 31.03.2012	As at 31.03.2011
(₹ lacs)		
Secured borrowings		
Indian rupee term loan from banks [Refer Note (a) below]	534.74	-
Unsecured term loans from banks		
External commercial borrowings in foreign currency [Refer Note (b) below]	56,272.15	-
Foreign currency term loan [Refer Note (c) below]	58,829.98	51,347.50
Unsecured term loans		
From other parties [Refer Note (d) below]	99.65	92.99
TOTAL	115,736.52	51,440.49

- (a) A group Company viz. NBHC, has taken a secured Indian rupee loan from bank, during the financial year 2011-2012 which carries fixed interest @ 10.25 % p.a. The principal amount of loan is payable in 84 equal monthly instalments of ₹ 7.11 lacs each from the date of loan, viz., 31st March 2012. Interest is to be serviced separately as and when applied. In case of term loan in lieu of subsidy: Bullet payment to be made on the date coinciding with date of final installment for original term loan. The loan is secured Primarily; exclusive first charge on all the assets including land, building and other assets, created out of the term loan. Collateral: extension of charge on the assets of NBHC created out of other term loans. Installments falling due in respect of this loan upto 31st March, 2013 have been group under "current maturities of secured long-term borrowings" (Refer Note 11).
- (b) During the year, the Parent Company has availed three foreign currency term loans viz. external commercial borrowings aggregating USD 110 million (equivalent to ₹ 56,272.15 lacs as at 31st March, 2012). Loans of USD 35 million and USD 50 million are repayable in three annual installments (first two installments of 33.33% each and last installment of 33.34%) starting from April 2015 and June 2015 respectively. These loans carry interest at rate of applicable quarterly LIBOR plus margin of 3.5% p.a. Balance loan of USD 25 million availed, is repayable in nine semi-annual installments (first eight installments of 11% each and last installment of 12%) starting from December 2014. This loan carries interest at rate of applicable quarterly LIBOR plus margin of 5% p.a.
- (c) A group Company viz. FTGIPL, has foreign currency term loan of USD 115 million. This loan carries interest at rate of applicable quarterly LIBOR plus margin of 3.2% p.a. The bank interests are payable on a quarterly basis in arrears while the capital repayment will be effected in three installments (first two installments of 33.33% each and last installment of 33.34%) on April 2015, October 2015 and June 2016 respectively. The loan is secured by guarantee by the parent company.
- (d) A group Company viz. ICX, has taken a loan which is unsecured, interest free and has no fixed terms of repayment. The loan is subordinated in favour of all other creditors and other shareholder's claims and is only repayable once certain conditions in the settlement agreement have been met.
- (e) A group Company viz. NSEL, had loan from bank as on 31st March, 2011 which was secured against first charge by way of hypothecation of NSEL's entire stocks of raw materials, semi finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future. The loan has been paid off during the current year and has been grouped under "current maturities of secured long-term borrowings" (Refer Note 11).

6. DEFERRED TAX LIABILITIES (NET)	As at 31.03.2012	As at 31.03.2011
(₹ lacs)		
a) Deferred tax liability		
Depreciation	2,093.18	1,014.08
Unamortised ancillary borrowing costs	576.71	-
Foreign exchange differences related to investments	-	905.52
	2,669.89	1,919.60
b) Deferred tax asset		
Provision for doubtful debts, advances etc.	252.68	138.81
Diminution in the value of current investments	-	9.30
Provision for compensated absences and gratuity	323.00	280.21
Tax effect on withholding Tax on ZCCBs Premium adjusted against securities premium account to be claimed in tax	275.11	275.11
	850.79	703.43
Net deferred tax liability	TOTAL 1,819.10	1,216.17

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	(₹ lacs)	
	As at 31.03.2012	As at 31.03.2011
7. OTHER LONG-TERM LIABILITIES		
Income received in advance / unearned revenue	41.09	48.61
Members liabilities	573.69	132.34
TOTAL	614.78	180.95
8. LONG-TERM PROVISIONS		
Provision for employee benefits		
Compensated absences	683.73	696.93
Others	55.67	5.38
	739.40	702.31
Other provisions		
Provision for estimated loss on interest rate swap contracts	950.99	-
TOTAL	1,690.39	702.31
9. SHORT-TERM BORROWINGS		
Secured borrowings		
Short term loans from banks	7,807.92	9,625.32
Cash credit from banks	1,057.96	1,298.49
TOTAL	8,865.88	10,923.81
A group Company viz. NBHC, has taken short term loans from various banks which carries interest rate between 10.75% - 11.00%, these loans are for the tenor between 180-270 days. Short term loans and cash credit facilities are secured by Pari-passu charge on the current assets of NBHC		
10. TRADE PAYABLES		
Other than acceptances	7,772.36	6,830.01
TOTAL	7,772.36	6,830.01
11. OTHER CURRENT LIABILITIES		
Current maturities of unsecured long - term Zero Coupon Convertible Bonds (ZCCBs) in foreign currency (Refer Note 45)	-	40,408.25
Current maturities of secured long-term borrowings [Refer Note 5 (a) and (e)]	85.43	5,630.00
Interest accrued but not due on borrowings	314.74	22.32
Income received in advance / unearned revenue	3,752.55	3,330.59
Unclaimed dividend*	71.06	63.86
Other payables		
Statutory remittances	821.96	1,733.09
Payables on purchase of fixed assets	433.52	634.83
Contractually reimbursable expenses	-	145.50
Members liabilities	46,948.48	13,433.25
Advances from customers	4,064.95	4,243.62
Settlement guarantee fund (Refer Note 39)	64.66	46.40
Security deposits	606.73	606.73
Others	277.00	161.20
TOTAL	57,441.07	70,459.64
<i>* No amount due and outstanding to be credited to Investor Education and Protection Fund</i>		
12. SHORT-TERM PROVISIONS		
Provision for employee benefits		
Compensated absences	306.20	310.91
Gratuity (Refer Note 52)	235.58	212.98
Others	416.18	339.34
	957.96	863.23
Other provisions		
For taxation (net of advance tax thereagainst)	285.49	154.25
For premium on redemption of ZCCBs (Refer Note 45)	-	17,699.09
Proposed dividend (including tax)	1,071.07	1,071.07
	1,356.56	18,924.41
TOTAL	2,314.52	19,787.64

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Particulars	Gross Block					Depreciation / Amortisation					Net Block		
	Cost as at 01.04.2011	Additions during the year	Effect of Foreign currency differences (Refer Note 33)	Other Adjustments [Refer footnote (ii)]	Deletion/ Adjustments	Cost as at 31.03.2012	Upto 31.03.2011	For the Year	Other Adjustments [Refer footnote (ii)]	Deletion/ Adjustments	Upto 31.03.2012	As at 31.03.2012	As at 31.03.2011
(A) Tangible Assets													
Freehold Land	5,202.05	-	-	-	-	5,202.05	-	-	-	-	5,202.05	5,202.05	5,202.05
Leasehold Land	686.75	-	130.23	-	816.98	36.54	8.21	-	-	44.75	772.23	650.21	650.21
Buildings	25,678.08*	1,967.08	2,670.03	-	30,315.19	204.47	445.25	-	-	649.72	29,665.47	25,473.61	25,473.61
Improvement to Leasehold Premises	1,117.37	262.65	-	78.04	1,445.05	700.63	225.84	69.00	12.00	983.47	461.58	416.74	416.74
Computer Hardware	3,144.16	60.99	-	238.48	2,976.85	1,225.41	622.41	123.92	150.52	1,821.22	1,155.63	1,918.75	1,918.75
Equipment [Refer footnote (i)]	6,081.92	2,677.80	-	155.75	8,715.95	1,383.18*	713.83	68.42	104.00	2,061.43	6,654.52	4,698.74	4,698.74
Furniture and Fixtures	4,333.79	1,459.30	-	114.34	5,781.13	428.51*	414.60	51.91	112.98	782.04	4,999.09	3,905.28	3,905.28
Vehicles	522.56	208.17	-	2.85	673.33	114.77	60.97	0.99	17.15	159.58	513.75	407.79	407.79
TOTAL	46,766.68	6,635.99	2,800.26	589.46	55,926.53	4,093.51	2,491.11	314.24	396.65	6,502.21	49,424.32	42,673.17	42,673.17
Previous Year	14,219.33	33,402.46	466.96	(55.29)	46,766.68	3,056.99	1,847.91*	(25.15)	786.24	4,093.51	42,673.17	-	-
(B) Intangible Assets													
(Other than internally generated)													
Trade Mark	30.80	1.15	-	-	31.90	10.78	3.11	-	0.01	13.88	18.02	20.02	20.02
Technical Knowhow	14.33	-	-	-	14.33	9.59	-	-	-	9.59	4.74	4.74	4.74
Computer Software	2,733.91	166.51	-	145.91	3,036.96	1,567.78	549.77	107.73	4.48	2,220.80	816.16	1,166.13	1,166.13
TOTAL	2,779.04	167.66	-	145.91	3,083.19	1,588.15	552.88	107.73	4.49	2,244.27	838.92	1,190.89	1,190.89
Previous Year	2,663.91	599.35	-	(238.67)	2,779.04	683.62	1,052.13	(37.73)	185.33	1,588.15	1,190.89	-	-
Intangible assets under development											8.27	-	-
Capital Work-in-Progress											261.53	2,094.78	2,094.78
TOTAL											50,533.04	45,958.84	45,958.84

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

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

Notes:

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

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

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	(₹ lacs)	
	As at 31.03.2012	As at 31.03.2011
14. NON - CURRENT INVESTMENTS		
Long-term Investments (fully paid up, valued at cost)		
A) In equity shares of associate companies (Refer Note 42)		
Quoted	28,076.49	-
Unquoted	4,132.73	29,122.38
	32,209.22	29,122.38
B) In equity shares of other Companies		
Quoted	1.42	1.42
Unquoted (Refer Note 43)	4,338.98	4,004.05
	4,340.40	4,005.47
C) In warrants (Unquoted) (Refer Note 41)	5,624.60	5,624.60
D) In Government and Trust Securities (Unquoted)		
[Includes ₹ 4.75 lacs (Previous Year ₹ 3.78 lacs) pledged with APMC]	101.95	55.98
E) In Debentures and Bonds:		
Quoted	2,005.20	2,005.20
Unquoted	1,500.00	1,950.05
	3,505.20	3,955.25
F) In units of mutual funds (Unquoted)	9,001.51	524.10
TOTAL	54,782.88	43,287.78
Aggregate amount of quoted investments	30,083.11	2,006.62
Aggregate market value of quoted investments	170,371.91	2,249.50
Aggregate amount of unquoted investments	24,699.77	41,281.16
15. LONG-TERM LOANS AND ADVANCES		
Unsecured, considered good		
Capital advances	1,524.38	2,420.13
Security deposits	422.45	945.45
Loans and advances to employees	656.10	297.00
Loans related to NBFC activities	2,278.91	1,373.89
Prepaid expenses	140.35	192.96
Balances with government authorities	35.43	83.64
Advances for supply of goods and services	64.83	61.50
Taxes paid less provision thereagainst including fringe benefit tax (other than deferred tax)	12,807.71	12,858.51
MAT credit entitlement	8,976.50	2,471.20
TOTAL	26,906.66	20,704.28
16. OTHER NON-CURRENT ASSETS		
Unamortised ancillary borrowing costs	2,901.38	1,640.70
Interest accrued on bank deposits	38.80	13.45
Interest accrued on investments	0.64	0.28
Deposits with banks [Includes ₹ 0.98 lacs under lien with banks against bank guarantees (Previous year ₹ 0.98 lacs)]	591.35	101.33
Share application money paid for investment in an associate company	-	4.90
Foreign currency monetary item translation difference account (FCMITDA) (Refer Note 33)	3,153.44	-
TOTAL	6,685.61	1,760.66
17. CURRENT INVESTMENTS		
A) Current portion of long-term investments (at cost):		
In Debentures and Bonds (Unquoted)	450.05	50.00
In units of mutual funds (Unquoted)	10,497.27	18,288.54
Total current portion of long - term investments (A)	10,947.32	18,338.54

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	As at 31.03.2012	As at 31.03.2011 (₹ lacs)
B) Other current investments (fully paid up, valued at lower of cost and fair value) In equity shares of other Companies		
Quoted	58.44	153.04
Unquoted	121.63	-
	180.07	153.04
In Government Securities (Unquoted) (pledged with APMC)	0.25	0.23
In units of mutual funds (Unquoted)	97,939.65	58,950.68
Total other current investments (B)	98,119.97	59,103.95
Total current investments (A+B)	109,067.29	77,442.49
Aggregate amount of quoted investments	58.44	153.04
Aggregate market value of quoted investments	59.23	155.60
Aggregate amount of unquoted investments	109,008.85	77,289.45
Aggregate provision for diminution (write down) in the value of other current investments	123.56	136.20
18. INVENTORIES		
(Valued at lower of cost and net realisable value)		
Packing materials	13.79	4.68
Stores and spares	361.38	320.77
Finished goods (comprising traded goods and goods for procurement services)	18,114.88	15,117.93
TOTAL	18,490.05	15,443.38
19. TRADE RECEIVABLES		
Unsecured, considered good unless stated otherwise		
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Considered good	1,540.66	1,630.84
Considered doubtful	1,259.23	1,069.13
Less: Provision for doubtful trade receivables	(1,259.23)	(1,069.13)
	1,540.66	1,630.84
Other trade receivables		
Considered good	5,705.51	13,491.33
Considered doubtful	1.18	-
Less: Provision for doubtful trade receivables	(1.18)	-
	5,705.51	13,491.33
TOTAL	7,246.17	15,122.17
20 CASH AND CASH EQUIVALENTS		
Balances that meet the definition of Cash and Cash equivalents as per AS 3 - Cash Flow Statements		
Cash on hand	6.64	5.69
Cheques on hand	245.31	1,070.02
Balances with banks		
In current accounts	16,676.27	12,694.45
In EFFC accounts	21,762.29	2,811.21
In deposit with original maturity of less than 3 months	2,418.06	1,450.78
In earmarked accounts		
In current accounts	29.04	41.12
In deposit accounts with original maturity of less than 3 months	9,775.93	47,119.14
Unpaid dividend accounts	71.06	63.86
	50,984.60	65,256.27
Other Bank Balances		
In deposit accounts with original maturity of more than 12 months [Includes ₹ 4.00 lacs (Previous Year: ₹ Nil) under lien with bank against bank guarantees]	51.09	50.05
In deposit accounts with original maturity of more than 3 months but less than 12 months [Includes ₹ 1,299.75 lacs (Previous Year: ₹ 1,336.35 lacs) under lien with bank against bank guarantees and cash credit facilities]	14,759.65	14,000.40
Deposits from members relating to Settlement Guarantee Fund (Refer Note 40)	1,024.43	1,017.95
	15,835.17	15,068.40
TOTAL	66,819.77	80,324.67

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	(₹ lacs)	
21. SHORT-TERM LOANS AND ADVANCES	As at 31.03.2012	As at 31.03.2011
Unsecured, considered good unless stated otherwise		
Loans and advances to related parties (Refer Note 51)	-	0.26
Security deposits		
Considered good	1,182.21	463.32
Considered doubtful	1.61	1.61
Less: Provision for doubtful deposits	(1.61)	(1.61)
	1,182.21	463.32
Loans and advances to employees		
Considered good	208.33	164.23
Considered doubtful	4.54	-
Less: Provision for doubtful loans and advances	(4.54)	-
	208.33	164.23
Loans related to NBFC activities	944.81	1,194.61
Prepaid expenses	1,338.66	1,123.02
Balances with government authorities	1,556.87	1,018.52
Taxes paid less provision there against including fringe benefit tax (other than deferred tax)	1,516.86	1,817.71
MAT credit entitlement	98.20	-
Advances for supply of goods and services		
Considered good	17,767.21	8,248.04
Considered doubtful	434.24	11.60
Less: Provision for doubtful advances	(434.24)	(11.60)
	17,767.21	8,248.04
TOTAL	24,613.14	14,029.71
22. OTHER CURRENT ASSETS		
Unbilled revenue	306.07	428.76
Unamortised ancillary borrowing costs	1,325.92	703.00
Interest accrued on bank deposits	275.71	590.09
Interest accrued on investments	168.78	168.78
Interest receivable on income-tax refund	199.25	-
Receivable on cancellation of forward exchange contracts	610.25	-
Dividend accrued on investments	-	36.96
Application money paid for investment in mutual funds	-	1,022.04
Contractually reimbursable expenses	83.60	-
Foreign currency monetary item translation difference account (FCMITDA) (Refer Note 33)	1,071.23	-
Rent receivable	-	78.91
Other receivables	-	33.51
TOTAL	4,040.81	3,062.05

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	(₹ lacs)	
	Year Ended 31.03.2012	Year Ended 31.03.2011
23. REVENUE FROM OPERATIONS		
Income from software products (IPR based license)	8,088.45	8,438.56
Income from software services (Project based)	16,382.77	11,566.93
Income from procurement services	851.94	1,709.60
Storage and allied services	10,810.25	10,816.36
Service charges [Refer Note 2 (K) (h)]	6,423.52	3,466.92
Membership admission fees	1,977.98	781.12
Annual subscription fees	121.98	97.05
Delivery fees	1,054.61	869.63
Transaction fees	2,626.02	575.19
Sale of traded goods		
Computer hardware	284.39	344.76
Computer software	81.77	217.85
	366.16	562.61
Other operating revenues		
Business support services	542.70	1,380.00
IT infrastructure sharing income	95.17	96.03
Income relating to NBFC activities	261.93	231.47
Others	519.89	199.20
TOTAL	50,123.37	40,790.67
24. OTHER INCOME		
Interest income		
On bank deposits	1,576.98	1,165.83
On long-term investments	320.49	315.47
On income-tax refund	202.28	1.12
Others	83.63	113.85
	2,183.38	1,596.27
Dividend Income from		
Long-term investments	6.64	93.79
Current investments	4,707.40	3,896.75
	4,714.04	3,990.54
Profit on sale of investments (net)		
Long-term investments	1,653.31	4,281.58
In associates (Refer Note 34)	19,660.61	1,858.42
Current investments	275.60	763.29
	21,589.52	6,903.29
Profit from derivatives on commodity futures / hedging (net)	96.70	-
Reversal of write down in value of current investments (net)	12.64	50.37
Other non-operating income		
Rental income from operating leases (Refer Note 32)	860.29	280.20
Exchange rate fluctuations (net)	3,266.05	1,215.73
Miscellaneous Income	584.04	511.83
TOTAL	33,306.66	14,548.23
25. PURCHASES OF STOCK-IN-TRADE		
Computer hardware	251.80	368.83
Computer software	38.68	129.58
TOTAL	290.48	498.41
26. CHANGES IN INVENTORY OF STOCK-IN-TRADE		
Inventories at the beginning of the year	11.33	8.49
Inventories at the end of the year	16.82	11.33
TOTAL	(5.49)	(2.84)

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	Year Ended 31.03.2012	Year Ended 31.03.2011
(₹ lacs)		
27. EMPLOYEE BENEFITS EXPENSE		
Salaries and wages	23,020.60	24,740.52
Contribution to provident fund and other funds (Refer Note 52)	978.44	1,047.44
Gratuity	131.42	100.38
Staff welfare expenses	556.55	488.20
TOTAL	24,687.01	26,376.54
28. FINANCE COSTS		
Interest expense on:		
Borrowings	4,559.48	644.76
Delayed payment of tax	0.46	70.34
Other borrowing costs:		
Provision for estimated loss on interest rate swap contracts	950.99	-
Amortisation of ancillary borrowing costs	1,180.66	-
Others	26.18	51.46
TOTAL	6,717.77	766.56
29. DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation of tangible assets	2,491.11	1,847.91
Amortisation of intangible assets	552.88	1,052.13
Amortisation of consumables	120.05	127.22
TOTAL	3,164.04	3,027.26
30. OPERATING AND OTHER EXPENSES		
Electricity	564.13	542.66
Rent (Refer Note 32)	6,588.62	7,398.17
Repairs and maintenance- buildings	18.60	0.54
Repairs and maintenance- others	356.09	437.64
Insurance	292.48	387.48
Rates and taxes, excluding taxes on income	260.49	225.32
Service charges	147.04	705.62
Travelling and conveyance	877.60	1,054.71
Communication expenses	1,078.97	1,064.80
Legal and professional charges (Refer Note 50)	2,236.40	2,632.40
Software development expenses and license fees	819.52	675.51
Stores, spares, consumables and packing materials	612.76	506.79
Advertisement and Business promotion / development expenses	3,190.22	2,038.30
Office expenses	399.84	533.11
Brokerage and commission charges	173.28	141.63
Loss on disposal / write off of fixed assets (net)	375.35	199.13
Less: Provision for impairment held	(104.61)	-
	270.74	199.13
Contribution to Fidelity funds (Refer Note 40)	-	670.15
Data feed expenses	804.62	640.13
Security charges	614.66	705.62
Bad trade receivables / advances written off	446.80	255.10
Less: Provision held	(63.89)	(69.47)
	382.91	185.63
Provision for doubtful trade receivables / advances	747.47	674.85
Labour charges	746.07	401.12
Loss from derivatives on commodity futures / hedging (net)	-	216.55
Software support charges	805.21	880.40
Donation	966.25	647.62
Miscellaneous expenses	3,113.06	2,157.39
TOTAL	26,067.03	25,723.27

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31. CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for):	Current Year	Previous Year
		(₹ lacs)
(a) Contingent liabilities:		
1 Taxes in dispute:		
(a) Income tax demands against which the Group is in appeal [(including adjustable against Securities Premium account ₹ 1,941.03 lacs (Previous Year ₹ 1,941.03 lacs)]	2,707.87	2,348.54
(b) MVAT, Service tax and excise dues contested by the Parent Company. The Parent Company is hopeful of positive outcome	515.17	475.09
2 Claims not acknowledged as debt	345.96	347.00
3 Corporate guarantees given by subsidiaries	1,202.60	1,196.60
4 Share of contingent liabilities of associates:		
i. Claims not acknowledged as debts	21.74	15.98
ii. Income tax demands against which the associate is in appeal including interest thereon	44.07	66.70
iii. Corporate guarantees given	295.84	200.94
iv. Other than Forward Market Commission (FMC) prescribed penalties recovered from members and credited to income, pending response from FMC on representation made by an associate on FMC's Investor Protection Fund (IPF) Guidelines	-	443.64
(b) Capital and other commitments:		
1 Estimated amount of contracts to be executed on capital account and not provided for (net of advances)	402.31	5,242.62
2 For commitments relating to lease arrangements, see Note 32(a) and for derivative contracts, see Note 48(a).		

32. OPERATING LEASES

(a) The Group has entered into agreements for non-cancellable operating lease for various premises having average lease term of 12 months to 60 months. The lease rentals recognised in the statement of profit and loss during the year and the future minimum lease payments under non-cancellable operating lease are as follows:

Particulars	Current Year	Previous Year
		(₹ lacs)
Lease Expenditure		
Lease rentals (included in Note 30 'Rent')	2,338.34	5,189.20
Obligations on non-cancellable leases		
Not later than one year	2,183.88	2,145.27
Later than one year and not later than five years	2,237.81	1,890.75
Later than five years	170.83	-
Sublease Income (included in Note 23 'Storage and allied services')	6.31	6.10
Total Receivables on non-cancellable subleases	-	8.47

(b) The Group has entered into operating lease agreements as a lessor for various premises ranging from 22 months to 36 months. The lease rentals recognised as income in the statement of profit and loss during the year and the future minimum lease payments under non-cancellable operating lease are as follows:

Particulars	Current Year	Previous Year
		(₹ lacs)
Lease Income		
Lease rentals	860.29	247.57
(Included in Note 24 'Rental income from operating leases')		
Receivables on non-cancellable leases		
Not later than one year	887.00	874.89
Later than one year and not later than five years	876.17	1,763.17
Later than five years	-	-
FIXED ASSETS		
Gross Carrying amount of leased assets	11,924.57	11,924.57
Accumulated depreciation	276.47	82.10
Depreciation recognised	194.37	82.10

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33. In an earlier year, the Parent Company adopted the option offered by the notification of the Companies (Accounting Standards) Amendment Rules 2006 which amended Accounting Standard 11 "The Effects of Changes in Foreign Exchange Rates" for the period upto 31st March, 2011. During the year, Ministry of Corporate Affairs, Government of India, has issued notification dated December 29, 2011 amending the aforesaid rules in respect of the exchange differences (effective from 1st April, 2011) on reporting of long term foreign currency monetary items, by allowing the treatment described in Accounting policy M of Note 2 over the life of the long-term monetary item which hitherto was permitted upto 31st March, 2011.

Pursuant to the aforesaid notifications, (1) cumulative foreign exchange loss (net) of ₹ 3,267.22 lacs (Previous Year ₹ 519.00 lacs) has been adjusted to the cost of the fixed assets/capital work-in-progress and (2) ₹ 9,863.35 lacs has been debited (Previous Year credit of ₹ 268.62 lacs) to the Foreign Currency Monetary Item Translation Difference Account during the year [unamortised balance at the year end is ₹ 4,224.67 lacs (Previous Year ₹ Nil)].

Exchange difference loss (net) included in Capital Work in Progress ₹ Nil (Previous Year ₹ 52.04 lacs) and Fixed Assets ₹ 2,748.22 lacs (Previous Year ₹ 466.96 lacs) during the year pursuant to amended Accounting Standard 11 "The Effects of Changes in Foreign Exchange Rates".

34. The Parent Company, as a part of its core business strategy, promotes and invests in new ventures that utilise its technological capabilities and domain expertise towards creating world class enterprises. The investment in each such venture is assessed for its risks and is limited to a pre-determined level and will generate returns after the ventures start ramping-up operations in varied time frame depending upon the line of business. The Parent Company, as part of its non-linear business model, will endeavour to unlock value by broadening the investor base of its ventures.

During the year, in terms of the compliance of FMC Equity Structure Guidelines dated 29th July, 2009, the Company offered under "offer for sale", in initial public offer of equity by Multi Commodities Exchange of India Limited (MCX), an associate company, part of its investments aggregating 2,643,916 equity shares of ₹ 10/- each of MCX at a price of ₹ 1,032 per equity share of ₹ 10/- each. The resultant profit of ₹ 19,660.61 lacs (net of directly attributable expenses of ₹ 2,091.58 lacs) is grouped under 'Profit on sale of investments' in Other income (Refer Note 24). Subsequent to disinvestments, the Parent Company is holding 26% in the equity share capital of MCX.

During the previous year, the Parent Company sold partial investment held in another associate. The resultant profit of ₹ 1,858.42 lacs (net of directly attributable brokerage expenses of ₹ 47.35 lacs) is grouped under 'Profit on sale of investments' in Other income (Refer Note 24).

35. Exceptional item for the year ended 31st March, 2011, represents the amount paid by the Parent Company to the Purchaser under the price reset clause consisting of ₹ 17,968.75 lacs towards price reset and ₹ 2,947.75 lacs towards interest in accordance with the Agreement of sale for investments of 71,875,000 equity shares of ₹ 1/- each for an aggregate consideration of ₹ 25,156.25 lacs in an earlier year. Consequently, the tax provision of ₹ 7,109.52 lacs was also written back.

36. Stock Based Compensation :

- a) During the year, Remuneration and Compensation Committee ("Committee") of the Parent Company at their meeting held on 14th March, 2012 has considered and approved the grant of 900,000 Stock Options ("Options") each under the Employee Stock Option Scheme – 2009 & 2010 totalling to 1,800,000 options at a price of ₹ 770 to the eligible employees / Directors of the Company and its Subsidiaries ("Employees") in terms of SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended from time to time and as approved by the Shareholders at the Annual General Meetings of the Parent Company held on 25th September, 2009 and 29th September, 2010 respectively.

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

Schemes	Grant Date	No. of Options Granted	Exercise Price in ₹	Vesting Period
ESOP 2005	31 st October, 2005	440,000	981.60	31.10.2005 - 30.10.2006
			981.60	31.10.2005 - 30.10.2007
			981.60	31.10.2005 - 30.10.2008
			981.60	31.10.2005 - 30.10.2009
			981.60	31.10.2005 - 30.10.2010
ESOP 2009	14 th March, 2012	900,000	770.00	14.03.2012 - 13.03.2013
			770.00	14.03.2012 - 13.03.2014
			770.00	14.03.2012 - 13.03.2015
ESOP 2010	14 th March, 2012	900,000	770.00	14.03.2012 - 13.03.2013
			770.00	14.03.2012 - 13.03.2014
			770.00	14.03.2012 - 13.03.2015

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Each option entitles the holder to exercise the right to apply for and seek allotment of one equity share of ₹ 2/- each. The intrinsic value of each option is nil, since the options were granted at the market price of the equity shares on the date of grant. The options have vesting periods as stated above in accordance with the vesting and exercise schedule as per the approved scheme subject to the maximum period of three (3) years / five (5) years from the date of grant of options.

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

Particulars	ESOP 2005 (Nos.)	ESOP 2009 (Nos.)	ESOP 2010 (Nos.)
Options outstanding as at the beginning of the year	-	-	-
	(12,525)	(-)	(-)
Options granted during the year	-	900,000	900,000
	(-)	(-)	(-)
Options exercised during the year	-	-	-
	(-)	(-)	(-)
Options lapsed / forfeited / cancelled during the year	-	-	-
	(12,525)	(-)	(-)
Options outstanding as at the year-end	-	900,000	900,000
	(-)	(-)	(-)
Options exercisable as at the year-end	-	-	-
	(-)	(-)	(-)

- b) The Group has followed the intrinsic value-based method of accounting for stock option. Had the compensation cost of the Parent Company's stock based compensation plans been determined using the fair value approach, the Group's net profit for the year would have been lower by ₹ 114.22 lacs (Previous Year lower by ₹ 244.44 lacs) and earnings per share would have been lower as indicated below:

Particulars	Current Year	Previous Year
Net profit for the year (₹ lacs)	26,405.24	(13,680.41)
Less: Total stock-based employee compensation expense determined under fair value based method	114.22	244.44
Adjusted net profit for basic & diluted EPS	26,291.02	(13,924.85)
Weighted average no. of shares : Basic & diluted	46,078,537	46,078,537
Basic and diluted earnings per share (face value ₹ 2 /- per share)		
- As reported (in ₹) basic & diluted	57.30	(29.69)
- As adjusted (in ₹) basic & diluted	57.06	(30.22)

The weighted average fair value of each option on the date of grant / modification is ₹ 483.88/ ₹ 794.25 under ESOP Scheme 2005 and ₹ 249.05 under ESOP Scheme - 2009 & 2010 using the Black-Scholes Option Pricing Formula, considering the following parameters:

Particulars	Parent Company		
	ESOP 2005	ESOP 2009	ESOP 2010
(i) Expected volatility	64.48% to 86.41%	42.18% to 45.94%	42.18% to 45.94%
(ii) Option life	3 years - 5 years	1.13 years - 3.13 years	1.13 years - 3.13 years
(iii) Dividend yield	0.41%	0.68%	0.68%
(iv) Risk-free interest rate	5.98% to 6.41%	8.13% to 8.18%	8.13% to 8.18%
(v) Expected volatility is based on the historical volatility of the share prices over the period that is commensurate with the expected term of the option.			

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37. The Group Companies viz. NBHC and NSEL carry out the activities of procurement and / or processing of commodities on behalf of principals. The activity yields a guaranteed price on delivery of these procured / processed commodities. Hence, the companies do not have to carry price fluctuation risk related to market activity and therefore the procurement activity carried out is not in the nature of trading activity and the processing activity outsourced by the companies to the processors is also not the manufacturing activity of the said companies. The procurement activity carried out is by the companies own / borrowed funds. The risk and rewards to the companies are operational, executional and incidental to the activities of procurement.
38. In a Group Company viz. NSEL, loans and advances include an amount of ₹ 1,182.42 lacs recoverable from National Agricultural Cooperative Marketing Federation of India Limited (NAFED) in connection with agreement dated 30th December, 2008 entered into with NAFED by NSEL. Vide letter dated 20th April, 2012 NAFED has agreed for the payment of this amount. However, out of this amount, an amount of ₹ 404.83 lacs has been agreed for payment by NAFED subject to the examination and approval of Department of Agriculture and Cooperative Ministry of Agriculture. The said amount has been provided for in the books in the current year. Considering the same, NSEL strongly believes that no provision is required in the financial statements in connection with the balance amount of ₹ 777.59 lacs.
39. a) In a Group Company viz. NSEL, State Agriculture Produce Market Committee 'APMC' while issuing license for establishing E-market / Private market / spot exchange, had condition to maintain a Settlement Guarantee Fund ('SGF') to meet exchange obligations but have not given any guidelines for the constitution of the SGF. In view of such a requirement an amount of ₹ 64.66 lacs (Previous Year ₹ 46.40 lacs) has been apportioned out of initial margin of the members to SGF and shown under other current liabilities, Note 11.
- b) In a Group Company viz. SMX-CCL, the Settlement Guarantee Fund (SGF) is established under the clearing rules of the subsidiary company SMX-CCL, a Designated Clearing House. The SGF shall be used by SMX-CCL upon occurrence of a Declared Default to ensure daily or a final settlement as a result of failure of one or more Clearing Members to discharge the clearing members obligations and liabilities in accordance with these Rules.
- The SGF is made up of:
- Security deposit placements from Clearing Members to SMX-CCL.
 - Insurance cover taken up by SMX-CCL for meeting eventualities arising out of failure of one or more Clearing Members to discharge the obligations and liabilities.
 - Clearing capital contributed by Clearing Members.
 - Other amounts as decided by SMX-CCL at its discretion.
- The total contribution of USD 1 million (equivalent to ₹ 511.56 lacs) was made by SMX-CCL during the previous year 31st March, 2011 and is included in Note 20 under cash and cash equivalents.
- c) In a Group Company viz. GBOT, deposits from members of USD 1,002,548 (equivalent to ₹ 512.78 lacs) relate to settlement guarantee fund which is refundable to the members and is included in Note 11 under 'Members liabilities'. The bank balance relating to the same is included in Note 20 under cash and cash equivalents.

40. In a Group Company viz. SMX, contribution is made towards Fidelity Fund.
- Fidelity Funds has an initial fund size of SGD 2 million (equivalent to ₹ 828.70 lacs as at 31st March, 2012). The assets of the funds are kept separate from all other assets, and are held in trust for the purposes set out in the Securities and Futures Act, Singapore.

The purposes of Fidelity Funds pursuant to Section 186 of the Securities and Futures Act, Singapore are as follows:

- to compensate any person (other than an accredited investor) who has suffered a pecuniary loss from any defalcation committed:
 - in the course of, or in connection with the trading of a futures contract;
 - by a member of an approved exchange or by any agent of such member, and;
 - in relation to any money or other property entrusted to or received:
 - by that member or any of its agents or
 - by that member or any of its agents as trustee or on behalf of the trustees of that money or property.

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- b) to pay the Official assignee or a trustee in bankruptcy within the meaning of the Bankruptcy Act (Cap. 20) if the available assets of a bankrupt, who is a member of an approved exchange, are insufficient to satisfy any debts arising from trading in futures contracts which have been proved in the bankruptcy by creditors of a bankrupt member.
- c) to pay a liquidator of a member of an approved exchange which is being wound up if the available assets of a member are insufficient to satisfy any debts arising from trading in futures contracts which have been proved in the liquidation of a member.
41. Consequent to capital reduction and issue of warrants to the Parent Company and its associate company Multi Commodities Exchange of India Limited (MCX) (in which the Parent Company has 26% equity holding) against their holding of equity shares in MCX Stock Exchange Limited (MCX-SX) of face value of ₹ 5,624.60 lacs and ₹ 6,171.35 lacs respectively in compliance with a Court sanctioned scheme in March, 2010, the Parent Company and MCX, based on independent legal / tax counsel's opinion continue with their stand of no tax liability arising consequent to the same and therefore no tax liability has been determined or recognized in the financial statements.
- The Parent Company and MCX have investments in equity shares and warrants of MCX-SX aggregating to ₹ 5,896.25 lacs and ₹ 6,341.70 lacs respectively. During the year, MCX-SX has started generating revenue from its existing segment i.e. Currency Derivatives. MCX-SX is awaiting the remaining segment approval i.e. of interest rate derivatives, equity, futures and options on equity and wholesale debt segments from SEBI. Hence, these investments are, in the opinion of the management, considered to be good and valuable, and not due for any provisioning.
42. The particulars of investment in associates as of 31st March, 2012 are as follows (Refer Note 43 below):
The capital reserve and carrying amount of investment in associates as at 31st March, 2012 is as follows:

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Name of the Associates	(₹ lacs)	
	Capital Reserve	Carrying Amount
Multi Commodity Exchange of India Limited (MCX)	-	28,076.49
	(-)	(25,845.30)
Indian Energy Exchange Ltd. (IEX)	1,092.61	3,485.10
	(1,092.61)	(2,649.65)
MCX-SX Clearing Corporation Ltd (MCX-SX CCL)	-	643.21
	(-)	(627.43)
SME Exchange Ltd (SME)	-	4.42
	(-)	(-)

Previous year figures are given in brackets.

43. A Group company viz. FTME holds 20% stake in Audit Control and Expertise Global Ltd., Audit Control and Expertise Ltd and Commodity Risk Management Technology Pte Ltd. Total carrying cost of such investment included in non-current investments in equity shares is USD 5 million (equivalent to ₹ 2557.83 lacs) [Previous Year USD 5 million (equivalent to ₹ 2262.77 lacs)]. The shares have an embedded 'purchaser put option' exercisable from June 2009 – June 2010. Since the said companies were not able to meet the projections mentioned in the share purchase agreement, management exercised the put option and called for money paid under share purchase agreement. Pursuant to erstwhile shareholder viz. Dakin International Ltd.'s failure to repay said amount, management invoked the arbitration clause and filed an arbitration claim with International Chamber of Commerce, London as per the share purchase agreement. The Arbitrator vide his award dated 14th April, 2011 allowed the Claim of FTME and directed Audit Control and Expertise Global Limited (ACE) and Mr. Andre Soumah, Chairman of ACE to pay FTME USD 5 million along with legal cost, cost of arbitration and interest. The Arbitrator has also held that once the payment is received by FTME, FTME shall transfer to ACE the 20% stake in CRM and the ACE Group currently owned by FTME. Pursuant to the award passed, FTME has initiated proceedings in Switzerland, London and Paris for enforcement of the award. Considering the intention of Management, to hold temporarily, the same has not been considered for equity method of accounting in Consolidated Financial Statements. However, considering the fact that the matter is under dispute the investment has been grouped under non current investments.

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44. An associate company viz. MCX (in which the Parent Company has 26.00% equity shareholding and is accounted by the Parent Company under the equity method of accounting) does not treat member's margins and income thereon as part of SGF as contemplated under the Forward Market Commission (FMC) guidelines of SGF issued in 2006 and therefore credits the said income (amount unascertained) to statement of profit and loss. Representations have been made to FMC and a response is awaited.
45. Zero Coupon Convertible Bonds ('ZCCBs')
- a) During the year ended 31st March, 2012, the Parent Company has repaid Zero Coupon Convertible Bonds aggregating USD 133.16 million (including premium on redemption, net of withholding tax thereon), equivalent to ₹ 70,519.11 lacs as at the date of repayment.
- b) Statement of utilization of proceeds out of ZCCBs till 31st March, 2012:

Particulars	(₹ lacs)
Proceeds received (net of expenses)	43,164.63
Less: Deployment up to 31 st March, 2011	43,018.25
Balance pending utilization as on 31 st March, 2011	146.38
Deployment for the year ended 31 st March, 2012	
Capital Expenditure	143.78
Listing Fees and Bank Charges	2.58
Total Balance pending utilization	NIL

46. Goodwill on consolidation includes amount aggregating ₹ 745.53 lacs (Previous Year ₹ 946.88 lacs) in respect of subsidiaries acquired in earlier years. These entities are at various stages of executing their business plans and have continuing losses. On an evaluation of business plans for these entities, the Parent Company expects value of these investments to be unlocked at appropriate times as mentioned in Note 34 above and accordingly believes there is no impairment of goodwill.
47. Joint Venture Disclosure
- Name of the Entity : Dubai Gold and Commodities Exchange DMCC ('DGCX')
- Country of Incorporation : United Arab Emirates
- % Holding : 39.10% (Previous Year 39.10%)
- Held by the Parent Company 18.6% and FTGIPL 20.5%: (Previous Year 18.6% and 20.5% respectively)
- (a) Group's share of interest in the assets, liabilities, income and expenses and contingent liabilities and commitments with respect to JCE (each without eliminations of the effects of transactions between the Group and JCE) on the basis of unaudited financial statements of the JCE as at and for the year ended 31st March, 2012:
- The amounts are translated at the year end rate for assets and liabilities and average rate for income and expenses for DGCX.

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Particulars	(₹ lacs)
I. Assets	
1. Fixed Assets	174.24
	(156.24)
2. Current Assets	
a) Trade receivables	92.29
	(-)
b) Cash and cash equivalents	10,882.22
	(6,140.70)
c) Short term loans and advances	54.58
	(30.76)
d) Other Current Assets	86.03
	(68.93)
II. Liabilities	
1. Trade payables	1,610.17
	(527.61)
2. Other Current Liabilities	9,995.89
	(5,601.21)
3. Short-term provisions	416.18
	(293.12)
III. Income	
1. Admission Fees	187.72
	(78.04)
2. Transaction Fees	609.34
	(217.54)
3. Interest Income	225.70
	(147.39)
4. Other Income	28.60
	(34.40)
IV. Expenses	
1. Employee benefits expense	933.92
	(750.08)
2. Depreciation and amortisation expense	83.54
	(132.48)
3. Other expenses	694.10
	(692.96)
V. Contingent liabilities	-
	(-)
VI. Capital and other commitments	-
	(-)

Previous year figures are given in brackets.

(b) The movement in Groups share of post-acquisition reserves of jointly controlled entity is as follows:

Particulars	Current Year	Previous Year
Proportionate Reserves and Surplus as at the beginning of the year	(1,806.02)	(737.84)
Proportionate deficit in statement of profit and loss for the year	(660.21)	(1,098.15)
Movement in Translation Reserve	(306.83)	29.97
Proportionate Reserves and Surplus as at the end of the year	(2,773.06)	(1,806.02)

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48. A) DERIVATIVE INSTRUMENTS OUTSTANDING AS AT THE BALANCE SHEET DATE:

Nature of contract	Foreign currency	Loan amount in foreign currency (lacs)	
		As at 31.03.2012	As at 31.03.2011
Interest rate swap contracts (floating to fixed)	USD	500.00	-

B) OPEN INTEREST IN COMMODITY FUTURES AS AT THE BALANCE SHEET DATE:

Sr. No.	Name of Commodity Future	Expiry Date	No. of contracts	No. of Units Involved
1.	Gold	5/4/2012	94	940
2.	Gold M	5/5/2012	179	1790
3.	Silver	5/5/2012	134	4020
4.	Silver M	30/4/2012	407	2035
5.	Copper M	30/4/2012	128	32000
6.	Nickel M	30/4/2012	52	5200
7.	Nickel M	29/6/2012	10	1000
8.	Lead Mini	30/4/2012	16	1600
9.	Zinc Mini	30/4/2012	19	1900
10.	Cardamom	13/4/2012	124	12400
11.	Crude Palm Oil	30/4/2012	15	150
12.	Chana	20/4/2012	300	3000
13.	Chana	18/5/2012	950	9500
14.	Refined Soya bean Oil	18/5/2012	250	2500
15.	Jeera	20/4/2012	195	585
16.	Jeera	18/5/2012	405	1215
17.	Dhaniya	20/4/2012	500	5000
18.	Dhaniya	18/5/2012	1000	10000

49. Earnings Per Share is calculated as follows:

Particulars	(₹ lacs)	
	Current Year	Previous Year
(a) Net Profit / (Loss) for the year (for basic and diluted EPS)	26,405.24	(13,680.41)
(b) Weighted average number of equity shares		
Basic	46,078,537	46,078,537
Add: Effect of dilutive stock options	-	-
Diluted	46,078,537	46,078,537
(c) Basic / Diluted earnings per share	57.30	(29.69)
(d) Face value ₹ per share	2/-	2/-

50. Legal and professional charges includes payments to auditors (net of service tax input credit) :

Particulars	(₹ lacs)	
	Current Year	Previous Year
As auditors - statutory audit	108.25	75.89
For taxation matters	21.48	15.32
For other services	22.00	30.96
Reimbursement of expenses	3.12	0.01
Total	154.85	122.18

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51. RELATED PARTY DISCLOSURE

I Names of related parties and nature of relationship:

(a) Associate Companies

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

(b) Joint Venture

Dubai Gold and Commodities Exchange DMCC (DGCX)

(c) Key Management Personnel

- 1 Mr. Jignesh Shah : Chairman and Managing director
- 2 Mr. Dewang Neralla : Whole time director

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

Mr. Manjay Shah : Director - Business Development*

* Non - board member

(e) Entity over which key management personnel is able to exercise significant influence

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

II Transactions with related parties

Sr. No.	Nature of Transactions	(₹ lacs)	
		Current Year	Previous Year
1.	Income from software products (IPR based license)		
	- MCX	87.64	98.18
2.	Income from software services (Project based)		
	- MCX	9,115.28	7,381.55
	- IEX	963.69	295.41
	- DGCX	242.93	240.90
3.	Service charges		
	- MCX	756.16	728.91
	- IEX	2.64	2.42
4.	Storage and allied services		
	- MCX	478.49	1,304.29
5.	Sale of traded goods		
	- MCX	15.03	271.56
6.	Other Operating revenue		
	a) Business Support Services		
	- MCX	240.00	960.00
	b) IT Infrastructure sharing Income		
	- MCX	58.94	88.12
	- IEX	2.44	4.86
	c) Others		
	- MCX	21.28	8.96
	- IEX	-	0.05
7.	Security Deposits charged to the Group by MCX	-	125.80
8.	Recoveries charged by the Group towards expenses:		
	- MCX	632.82	378.51
	- IEX	24.02	23.77
	- MCX-SX CCL	0.86	0.35

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Sr. No.	Nature of Transactions	Current Year	Previous Year (₹ lacs)
9.	Reimbursement of expenses charged to the Group:		
	- by MCX relating to offer for Sale by the Parent Company as part of the public issue of MCX	1,375.51	145.50
	- other Expenses:		
	- MCX	221.52	1,140.23
	- IEX	0.51	-
	- MCX-SX CCL	-	-
10.	Purchase of Tangible Assets (MCX)	3.31	201.83
11.	Sale of Tangible Assets		
	- MCX	1.63	17.23
	- IEX	0.24	2.12
	- MCX-SX CCL	0.09	0.55
12.	Advances as at the close of the year:		
	- IEX	-	0.26
	- MCX-SX CCL	-	-
13.	Liabilities as at the close of the year		
	Trade payables		
	- IEX	-	1.98
	Income received in advance / Unearned Revenue:		
	- MCX	46.56	109.06
	- IEX	113.11	2.44
	- DG CX	33.91	32.12
14.	Trade receivables		
	- DG CX	263.34	115.17
15.	Investment made during the year		
	Equity / Ordinary shares		
	- SME	4.90	-
16.	Dividend received		
	- MCX	795.18	636.14
	- IEX	91.40	-
17.	Remuneration (including professional fees)		
	- Jignesh Shah	1,551.38	965.78
	- Dewang Neralla	176.33	176.66
	- Manjay Shah	60.00	60.00
18.	Dividend paid		
	- Jignesh Shah	666.37	666.37
	- Dewang Neralla	4.83	4.83
	- Manjay Shah	6.15	6.15
	- La-Fin	983.63	975.31

Note: The Parent Company has identified Key Managerial Personnel (KMP) of the reporting enterprise as the KMP of the Group.

52. EMPLOYEE BENEFIT PLANS:

Defined contribution plans: Amounts recognized as expenses towards contributions to provident fund, employee state insurance corporation and other funds by the Company are ₹ 702.97 lacs (Previous Year ₹ 652.32 lacs).

Post employment defined benefit plans:

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

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

Particulars	(₹ lacs)				
	Current Year		Previous Year		
I. Change in benefit obligation:					
Projected benefit obligation at the beginning of the year		1,018.19		860.95	
Interest Cost		84.00		64.57	
Current Service Cost		235.69		242.74	
Benefits Paid		(199.64)		(65.91)	
Cost of plan amendment / Liability Transfer In		2.77		-	
Actuarial loss / (gain) on obligations		32.50		(84.16)	
Obligation transferred / settled		28.98		-	
Projected benefit obligation at the end of the year		1,202.49		1,018.19	
II. Change in plan assets					
Fair Value of the plan asset at beginning of the year		805.21		592.50	
Expected return on plan assets		66.43		44.68	
Contributions		284.62		238.67	
Benefits paid		(199.64)		(65.91)	
Actuarial gain on plan assets		10.29		(4.73)	
Fair value of plan assets at the end of the year		966.91		805.21	
Excess of obligation over plan assets		235.58		212.98	
III. Gratuity expense for the year					
Current service cost		235.69		242.74	
Interest cost		84.00		64.57	
Expected return on plan assets		(66.43)		(44.68)	
Net actuarial (gain) / loss recognized		22.21		(79.43)	
TOTAL		275.47		183.20	
IV. Actual return on plan assets		75.18		58.60	
V. Category of Assets as at end of the year					
Insurer Managed Funds		966.91		805.21	
Fund is managed by LIC of India as per IRDA guidelines, category wise composition of planned asset is not available					
TOTAL		966.91		805.21	
VI. Assumptions					
Discount rate		8.75%		8.25%	
Salary escalation rate		7.50%		7.50%	
Expected rate of return on plan assets		8.25%		8.25%	
VII. Experience adjustments:					
Defined benefit obligation	2012	2011	2010	2009	2008
	1,202.49	1,018.19	860.95	632.92	202.08
Fair value of planned assets	966.91	805.21	592.50	386.37	138.67
Surplus / deficit	235.58	212.98	268.44	246.54	63.41
Experience adjustment on plan liabilities [(Gain) / Loss]	107.91	68.54	(11.83)	19.02	9.31
Experience adjustment on plan assets [Gain / (Loss)]	6.91	6.87	4.86	1.78	1.10

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

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

The Group expect to contribute ₹ 235.60 lacs to the plan assets during financial year 2012-13.

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53. SEGMENT REPORTING:

The Group has identified Business segments as its primary segment and Geographical segments as its secondary segment taking into account the nature of services, differing risks and returns, the organizational structure and the internal reporting system of the Group. Inter-company transfers are accounted for at market / negotiated prices in case of transactions of special nature for which suitable alternative sources do not exist.

Revenues and direct expenses in relation to segments are categorized based on items that are individually identifiable to that segment or those which can be reasonably allocated to the segment. Depreciation and other expenses which relate to the group as a whole and which cannot be reasonably allocated to any segment have been disclosed as unallocated expenses.

a) Primary segment: Business segments

Particulars	STP	Exchange based	Storage	Others	Elimination	Total
	Technologies/ solutions		& Allied Services			
External revenue	24,738.47 (20,374.44)	9,260.00 (2,502.81)	10,810.25 (10,816.36)	5,314.65 (7,097.07)	- (-)	50,123.37 (40,790.67)
Inter-segment revenue	18,194.70 (14,642.02)	- (29.83)	2.57 (16.90)	808.04 (840.46)	19,005.31 (15,529.20)	- (-)
Net Sales / Income from operations	42,933.17 (35,016.45)	9,260.00 (2,532.64)	10,812.82 (10,833.26)	6,122.69 (7,937.52)	19,005.31 (15,529.20)	50,123.37 (40,790.67)
Segment result	28,187.65 (17,034.40)	-21,224.63 (-16,260.82)	845.24 (2,322.52)	6,022.22 (2,910.95)	4,403.69 (10,629.78)	9,426.80 (-4,622.70)
Add : Unallocable income						31,123.28 (12,951.96)
Less: Unallocable expenses						13,506.50 (10,209.27)
Less: Finance costs						6,717.77 (766.56)
Add: Interest Income						2,183.38 (1,596.27)
Profit / (Loss) before tax and exceptional item						22,509.19 (-1,050.30)
Less: Exceptional Item						- (20,916.50)
Profit / (Loss) before tax						22,509.19 (-21,966.80)
Less : Provision for taxation (including taxes in respect of earlier years and tax effect on exceptional item)						6,208.90 (-2,158.08)
Profit / (Loss) after tax before share of results of associates and minority interest						16,300.29 (-19,808.72)

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Notes:

1. Due to diversified nature of business, significant portion of assets are interchangeably used between segments and the management believes that its segregation will not be meaningful.
2. The reportable segments are described as follows:
 - a) STP Technologies / solutions segment represents straight through processing solutions and includes an integrated mix of various products, projects and services incidental thereto. Exchange Based segment represents trading platform for multi asset class like commodity, equity, equity derivatives and forex based derivatives etc. Storage and Allied services represents warehousing and collateral management services.
 - b) The businesses, which are not reportable segments during the year, have been grouped under the "Others" segment. This mainly comprises of various services towards trading, procurement, process management, risk consultancy activities, Shared Business Support Services, IT Infrastructure Sharing, NBFC related activities, internet telecommunication services and Training, Certification and Franchise Fees.
3. Previous year figures are given in brackets and are regrouped to confirm to current year's classification and segment loss is indicated by '-'ve sign.
 - b) Secondary Segment: Geographical segments:

The Group has two geographical segments viz, within India and outside India. Significant portion of segment operational assets are in India. Revenue from geographical segments based on domicile of the customers is outlined below:

Particulars	(₹ lacs)	
	Current Year	Previous Year
Net Revenue / Income from Operations		
Within India	46,644.47	39,139.80
Outside India	3,478.90	1,650.87
TOTAL	50,123.37	40,790.67

54. The aggregate amount of revenue expenditure incurred during the year on Research and Development and shown in the respective heads of the account is ₹ 1,665.70 lacs (Previous Year ₹ 1,694.88 lacs).

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55. Statement regarding subsidiary companies as required under section 212 of the Companies Act, 1956 pursuant to General Circular no. 2/2011 dated 8th February, 2011 issued by the Ministry of Corporate Affairs:

Sr. No.	Particulars	Reporting Currency	Exchange Rate as at March 31, 2012	Capital	Reserves	Total Assets (including investment in subsidiaries)	Total Liabilities	Details of investment (except in case of investment in subsidiaries)	Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed dividend
(₹ lacs)													
1.	FT Projects Limited	INR		5.00	(1.72)	3.45	0.17	-	-	(0.18)	-	(0.18)	-
2.	IBS Forex Limited	INR		700.00	(135.79)	564.90	0.69	514.83	-	1.19	0.30	0.90	-
3.	Riskraft Consulting Limited	INR		700.00	(631.05)	69.61	0.66	47.22	1.88	(0.39)	(3.61)	3.22	-
4.	atom technologies Limited	INR		291.22	(125.06)	1,467.19	1,301.03	0.50	1,069.81	(1,322.19)	(0.33)	(1,321.87)	-
5.	National Spot Exchange Limited	INR		4,500.00	1,604.89	42,975.91	36,871.02	16,174.00	8,194.44	3,160.24	596.55	2,563.69	-
6.	Indian Bullion Market Association Limited	INR		1,453.89	92.60	8,521.60	6,975.10	0.46	3,416.30	479.51	164.55	314.96	-
7.	National Bulk Handling Corporation Limited	INR		8,200.00	2,566.04	25,548.62	14,782.58	35.81	12,266.63	492.85	171.33	321.52	-
8.	Global Payment Networks Limited	INR		100.00	7.57	107.89	0.33	102.54	-	5.79	-	5.79	-
9.	Financial Technologies Communications Limited	INR		5.00	123.58	131.29	2.71	40.77	560.35	220.72	44.05	176.68	-
10.	FT Knowledge Management Company Limited	INR		375.00	(180.74)	348.47	154.21	-	714.62	199.32	38.03	161.30	-
11.	Tickerplant Limited	INR		414.25	(387.48)	1,195.44	1,168.67	-	3,461.79	194.82	12.50	182.32	-
12.	Bourse India Limited	INR		5.00	(1.27)	3.95	0.22	-	-	(0.24)	-	(0.24)	-
13.	Takshashila Academia of Economic Research Limited	INR		5.00	(113.83)	45.68	154.51	-	149.60	47.86	8.88	38.98	-
14.	Apian Finance & Investment Limited	INR		431.44	202.47	3,928.29	3,294.38	576.37	261.93	104.48	34.64	69.84	-
15.	Trans Global Credit and Finance Limited	INR		5.00	(5.21)	1.02	1.22	-	-	(0.34)	-	(0.34)	-
16.	Credit Market Services Limited	INR		525.00	(524.17)	20.13	19.30	-	-	(11.62)	-	(11.62)	-
17.	ICX Platform (Pty) Limited	SAR	6.78	0.01	(254.21)	59.94	314.14	47.60	67.71	(72.57)	-	(72.57)	-
18.	Financial Technologies Singapore Pte Limited	USD	51.16	42,124.02	(26.05)	43,328.69	1,230.71	-	-	(18.44)	-	(18.44)	-
19.	Knowledge Assets Pvt. Limited	USD	51.16	5.12	(21.41)	1.25	17.55	-	-	(4.50)	-	(4.50)	-
20.	Singapore Mercantile Exchange PTE Limited	USD	51.16	42,117.04	(21,263.39)	22,206.26	1,352.61	-	2,644.75	(9,592.84)	1,122.32	(8,470.52)	-
21.	Singapore Mercantile Exchange Clearing Corporation PTE Limited	USD	51.16	8,276.53	(2,871.57)	5,424.56	19.60	-	342.35	(2,486.65)	413.20	(2,073.45)	-
22.	Financial Technologies Projects Private Limited	MUR	1.87	0.05	(0.57)	0.04	0.56	-	-	(0.26)	-	(0.26)	-
23.	FT Group Investments Pvt. Limited	USD	51.16	7,704.17	(2,560.72)	87,047.63	81,904.18	4,286.70	556.90	(2,442.92)	-	(2,442.92)	-
24.	Financial Technologies Middle East DMCC	AED	14.18	9,360.12	(128.34)	6,231.10	(3,000.68)	2,603.11	189.09	(180.68)	-	(180.68)	-
25.	Capicon Fin-Tech (Pvt) Limited	AED	14.18	0.85	(3.16)	0.82	3.13	-	-	(0.11)	-	(0.11)	-
26.	Global Board of Trade Limited	USD	51.16	26,601.38	(10,687.71)	19,205.97	3,292.30	-	20.10	(7,805.62)	1,170.49	(6,635.13)	-
27.	Bahrain Financial Exchange BSC (c)*	BHD	138.81	26,096.28	(12,052.17)	17,103.53	3,059.42	-	118.45	(5,175.59)	-	(5,175.59)	-
28.	Bourse Africa Limited	USD	51.16	17,915.01	(2,927.77)	15,051.98	64.74	-	-	(812.93)	-	(812.93)	-
29.	Bourse Africa (Kenya) Limited*	USD	51.16	0.64	-	0.64	-	-	-	-	-	-	-
30.	Bourse Tanzania Limited*	USD	51.16	0.04	-	0.04	-	-	-	-	-	-	-
31.	Bourse Zambia Limited*	USD	51.16	0.51	-	0.51	-	-	-	-	-	-	-
32.	Bourse Exchange Nigeria Limited*	USD	51.16	33.76	-	33.76	-	-	-	-	-	-	-
33.	Bourse Uganda Limited*	USD	51.16	2.56	-	2.56	-	-	-	-	-	-	-

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

Figures are based on unaudited financial statements, for the purpose of consolidated financial statements, the parent company has received consolidated financial statements of FT Group Investments Pvt. Limited, and its subsidiaries listed at Sr. No. 23 to 33 and ICX Africa Limited.

Notes:

1. Indian rupee equivalents of the figures in foreign currencies in the accounts of the subsidiary companies, are based on the exchange rates as on 31st March, 2012.
2. The financial statement of ICX Africa Limited have not been prepared.

Notes

forming part of the consolidated financial statements for the year ended 31st March, 2012

56. The Revised Schedule VI has become effective from 1st April, 2011 for the preparation of the standalone financial statements of the Parent Company. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board.

Jignesh Shah
Chairman & Managing Director

Chandrakant Kamdar
Director

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

Place : Mumbai
Date : 30th May, 2012

FINANCIAL TECHNOLOGIES (INDIA) LIMITED

Regd. Office: Doshi Towers, 1st Floor, 1A & B, 156, Periyar EVR Salai, Kilpauk, Chennai 600 010.

NOTICE

NOTICE is hereby given that the Twenty Fourth Annual General Meeting of the Members of Financial Technologies (India) Limited will be held on Thursday, the 27th September 2012 at 10.30 A.M at Sri. P. Obul Reddy Hall (Vani Mahal),103, G.N.Chetty Road, T. Nagar, Chennai - 600 017 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2012 and the Profit & Loss Account for the year ended on that date, together with the Reports of the Board of Directors and Auditors thereon.
2. To ratify the payment of Interim Dividend(s) and to declare a Final Dividend on Equity Shares.
3. To appoint a Director in place of Mr. R. Devarajan, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. P R Barpande, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint M/s. Deloitte Haskins & Sells, Chartered Accountants, the retiring Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors/Committee to fix their remuneration.

"RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s Deloitte Haskins & Sells, Chartered Accountants, (ICAI Registration No. 117366W) be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting at a remuneration as may be mutually agreed to, between the Board of Directors/Committee and M/s Deloitte Haskins & Sells and reimbursement of out-of-pocket expenses in connection with the work of audit to be carried out by them."

SPECIAL BUSINESS:

6. To consider and, if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and all other applicable provisions, if any, of the Companies Act, 1956 including any amendment thereto or re-enactment thereof ('the Act') read with Schedule XIII to the Act and as recommended by the Remuneration and Compensation Committee and the Board of Directors, the Company hereby approves the re-appointment of Mr. Jignesh P. Shah as Managing Director of the Company for a further period of 3 years commencing from 31st January 2012 on the same terms and conditions including remuneration, commission and minimum remuneration as approved by the Shareholders at the 21st Annual General Meeting held on 25th September, 2009, which is set out in the Explanatory Statement to this Notice, with the authority to the Board of Directors / Committee to grant increments within the range stated therein and to alter and vary from time to time, the terms and conditions of the said re-appointment in such manner as may be agreed to between the Board of Directors / Committee and Mr. Jignesh P. Shah.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

7. To consider and, if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and all other applicable provisions, if any, of the Companies Act, 1956 including any amendment thereto or re-enactment thereof ('the Act') read with Schedule XIII to the Act and as recommended by the Remuneration and Compensation Committee and the Board of Directors, the Company hereby approves the re-appointment of Mr. Dewang Neralla as Whole-time Director of the Company for a

further period of 3 years commencing from 31st January 2012 on such terms and conditions including remuneration and minimum remuneration as approved by the Shareholders at the 21st Annual General Meeting held on 25th September, 2009, which is set out in the Explanatory Statement to this Notice, with the authority to the Board of Directors / Committee to grant increments within the range stated therein and to alter and vary from time to time, the terms and conditions of the said re-appointment in such manner as may be agreed to between the Board of Directors / Committee and Mr. Dewang Neralla.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

8. To consider and, if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and all other applicable provisions, if any, of the Companies Act, 1956 including any amendment thereto or re-enactment thereof ('the Act') read with Schedule XIII to the Act and as recommended by the Remuneration and Compensation Committee and the Board of Directors, the Company hereby approves the appointment of Mr. Manjay P. Shah as Whole-time Director of the Company for a period of 3 years commencing from 1st April 2012 on such terms and conditions including remuneration and minimum remuneration as set out in the Explanatory Statement to this Notice, with the authority to the Board of Directors / Committee to grant increments in the range stated therein and to alter and vary from time to time, the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors / Committee and Mr. Manjay P. Shah.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

By Order of the Board

sd/-

Naishadh P. Desai

Sr. VP (Legal) & Company Secretary

Place: Mumbai

Date: 6th August, 2012

NOTES:

1. The Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 is annexed hereto, and forms part of the Notice.
2. **A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of himself / herself and such proxy need not be a member of the Company.**
3. **Instrument of proxy, in order to be effective, must be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting.**
4. Members/Proxies are requested to fill in the enclosed attendance slip and deposit it at the entrance of the meeting hall.
5. All documents referred to in the Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days from 10.00 AM to 1.00 PM upto the date of the meeting, except holidays.
6. The Register of Members and Share Transfer Books of the Company will remain closed from 21st September 2012 to 27th September 2012 (both days inclusive) in terms of the provisions of Section 154 of the Companies Act, 1956 and the applicable clauses of the Listing Agreement entered into with the stock exchanges.
7. If the Final Dividend, as recommended by the Board of Directors is approved by the members at the meeting, payment of such dividend will be made to those Members whose names shall appear on the Company's Register of Members after entertaining all valid requests for transfer of shares lodged on or before 20th September 2012. In respect of the shares held in electronic form, the dividend will be payable on the basis of beneficial ownership, as per details furnished by National Securities Depository Limited and Central Depository Services (India) Limited as on 20th September 2012.
8. Those Members who have so far not encashed their dividend warrants from the financial year ended 31st March, 2005 onwards, may approach the Registrar and Share Transfer Agent, M/s. KARVY Computershare Private Limited at the address mentioned elsewhere in the Notice for the payment without further delay as the said unpaid dividend will be transferred to the Investor Education and Protection Fund of the Central Government, pursuant to Section 205C of the Companies Act, 1956. Shareholders are requested to note that no claim shall lie against the said Fund or the Company in respect of any amounts which were unclaimed and unpaid for a period of 7 years and transferred to Investor Education and Protection Fund of the Central Government.
9. Members are requested to notify to the Registrar and Share Transfer Agent of the Company at KARVY Computershare Private Limited, Plot No. 17 to 24, Vittalrao Nagar, Madhapur, Hyderabad 500 081, inter-alia in respect of:
 - i. Change in address
 - ii. Consolidation of holdings
 - iii. Residential status from NRI to Resident Indian or vice versa
 - iv. Change in particulars of NRE Bank Account with complete address
10. Corporate Members are requested to send a duly certified copy of the Board Resolution or Power Of Attorney duly authorizing their representative to attend and vote at the Annual General Meeting.
11. The Certificate from the Auditors of the Company certifying that the Employees Stock Option Scheme of the Company is being implemented in accordance with the Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended from time to time, and in accordance with the resolution of the general meeting will be available for inspection to Members at the Annual General Meeting.
12. Members seeking any information relating to the Accounts should write to the CFO of the Company at its Corporate Office at FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai - 400 093, or send an e-mail at info@ftindia.com.
13. Members are requested to bring their copies of Annual Report for the meeting. Members holding shares in physical form are requested to get them dematerialized, as the shares of the Company are traded under compulsory demat system.

14. The Securities and Exchange Board of India (SEBI) has notified that, submission of Permanent Account Number (PAN) is compulsorily required for participating in the securities market, deletion of name of deceased shareholder or transmission/transposition of shares. Members holding shares in dematerialized mode are requested to submit their PAN details to their Depository Participant, whereas members holding shares in physical form are requested to submit the PAN details to the Company's Registrars and Transfer Agents.
15. Appointment/Re-appointment of Directors: Mr. R. Devarajan and Mr. P R Barpande retire by rotation at the ensuing Annual General Meeting. Both the Directors, being eligible offer themselves for re-appointment. Mr. Jignesh P. Shah and Mr. Dewang Neralla have been re-appointed as Managing Director and Whole-time Director respectively, for a further period of three years. Mr. Manjay P. Shah has been appointed as Whole-time Director of the Company w.e.f. 1st April, 2012. The information relating to Mr. Jignesh P. Shah, Mr. Dewang Neralla, Mr. Manjay P. Shah, Mr. R. Devarajan and Mr. P R Barpande to be provided in terms of Clause 49 of the Listing Agreement entered into with the stock exchanges is annexed herewith.
16. As a part of Green Initiative in Corporate Governance, the Ministry of Corporate Affairs vide its Circular Nos.17/2011 and 18/2011 dated 21st April, 2011 and 29th April, 2011 respectively, clarified that a company would have complied with Section 53 of the Companies Act, 1956, if the service of the document has been made through electronic mode, provided the company has obtained e-mail address of its members for sending the notice/documents through e-mail by giving an advance opportunity to every shareholder to register their e-mail address and changes therein from time to time with the company. Accordingly, the members are requested to intimate their e-mail address to the Company's Registrar and Share Transfer Agent, M/s. KARVY Computershare Private Limited in case the members wish to avail the aforesaid facility.

By Order of the Board

sd/-

Naishadh P. Desai

Sr. VP (Legal) & Company Secretary

Place: Mumbai

Date: 6th August, 2012

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956:

Item No. 6 & 7

Re-appointment of Mr. Jignesh P. Shah as Managing Director and Mr. Dewang Neralla as Whole-time Director

At the Annual General Meeting held on 25th September 2009, Mr. Jignesh P. Shah was re-appointed as Managing Director and Mr. Dewang Neralla was re-appointed as Whole-time Director of the Company w.e.f. 31st January 2009, for a period of three years and their term of appointment was valid upto 30th January 2012.

As recommended by the Remuneration & Compensation Committee, the Board of Directors ('the Board') at its meeting held on 31st January 2012, re-appointed Mr. Jignesh P. Shah as Managing Director and Mr. Dewang Neralla as Whole-time Director of the Company for a further period of three years commencing from 31st January 2012 on the same terms and conditions which were approved by the Shareholders at their meeting held on 25th September 2009 and are reproduced herein below:

Their terms of appointment including remuneration are as under:

1. Remuneration:

Name	Range of remuneration
Mr. Jignesh P. Shah	₹ 20 lakhs to ₹ 60 lakhs per month
Mr. Dewang Neralla	₹ 5 lakhs to ₹ 20 lakhs per month

The aforesaid remuneration is to be bifurcated by way of salary, allowances, performance pay and perquisites as per the rules and regulations of the Company for the time being in force and as determined by the Board/Committee.

In addition to remuneration within the above range, the Managing Director, Mr. Jignesh P. Shah would also be entitled to Company car(s) with driver(s), insurance for self and family, furnished Company owned or leased accommodation, two club membership, and other perquisites as per the rules of the Company as applicable to Senior Management Personnel of the Company.

The perquisites and benefits are to be evaluated as per the Income-Tax Rules, 1961 and in the absence of the same, applicable rules at the cost to the Company.

2. Leave encashment:

Payable in addition to the aforesaid remuneration to both Mr. Jignesh P. Shah and Mr. Dewang Neralla, as per the rules of the Company as applicable to Senior Management Personnel of the Company.

3. Gratuity:

Payable in addition to the aforesaid remuneration to both Mr. Jignesh P. Shah and Mr. Dewang Neralla, at the rate of half month's salary for each completed year of service.

4. Commission:

After the profits are ascertained in each year, the Board / Committee at its discretion may pay commission to Mr. Jignesh P. Shah as they may deem fit and proper.

However, the overall managerial remuneration including commission shall not exceed the limits prescribed under Sections 198 and 309 of the Companies Act, 1956 read with Schedule XIII as may be applicable from time to time.

5. Minimum Remuneration:

In case of absence of or inadequacy of profits in any year the Managing Director and the Whole-time Director shall be entitled to salary, perquisites and benefits and any other allowances which shall be governed by and subject to the ceilings provided under Section II of Part II of Schedule XIII to the Companies Act, 1956 or such other limit as may be prescribed by the Government from time to time as minimum remuneration.

The Board of Directors shall have liberty to alter and vary the terms of remuneration within the limits set hereinabove subject to the provisions of Sections 198 and 309 of the Act and Schedule XIII thereto.

The aforesaid appointments are subject to termination with one month notice from either side.

Your Directors recommend the Special Resolutions for your approval. Except Mr. Jignesh P. Shah and Mr. Dewang Neralla, none of the Directors of the Company is in any way concerned or interested in the Resolution.

Item no. 8:

Appointment of Mr. Manjay P. Shah as Whole-time Director

Mr. Manjay P. Shah - Director Business Development (Non-Board Member), has innovative ideas and leadership skills which have contributed in achieving many milestones by the Company i.e. in terms of leadership in market share amongst peers, creating brand of the Company, to be known in financial sector as 'FT' product. In addition to leading the marketing department, Mr. Shah is also overlooking facilities and Infrastructure management and receivables management.

Mr. Manjay P. Shah, is an Electrical Engineer by profession. His total work experience spreads over a period of 16 years in the field of Marketing, Business development, Receivables management, Facilities and Infrastructure Management.

As recommended by the Remuneration & Compensation Committee, the Board of Directors at its meeting held on 30th May 2012, approved remuneration of Mr. Manjay P. Shah for a period of three years commencing from 1st April 2012 on the following terms and conditions:

a) Tenure of Appointment: Three years (with effect from 1st April, 2012)

b) Range of remuneration: ₹ 12 lakhs to ₹ 25 lakhs per month

The aforesaid remuneration is to be bifurcated by way of salary, allowances and performance pay as per the rules and regulations of the Company for the time being in force and as determined by the Board.

In addition to the above stated remuneration the following amount shall be paid to Mr. Manjay P. Shah:

c) Perquisites & allowances:

Mr. Manjay P. Shah would be entitled to other perquisites as per the rules of the Company as applicable to Senior Management Personnel of the Company. The perquisites and benefits are to be evaluated as per the Income-Tax Rules, 1961 and in the absence of the same, applicable rules at the cost to the Company.

d) Leave encashment:

Payable to Mr. Manjay P. Shah as per the rules of the Company as applicable to Senior Management Personnel of the Company.

e) Gratuity:

Payable to Mr. Manjay P. Shah, at the rate of half month's salary for each completed year of service.

f) Minimum Remuneration:

In case of absence of or inadequacy of profits in any year, Mr. Manjay P. Shah, shall be entitled to salary, perquisites and benefits and any other allowances which shall be governed by and subject to the ceilings provided under Section II of Part II of Schedule XIII to the Companies Act, 1956 or such other limit as may be prescribed by the Government from time to time as minimum remuneration.

The Board of Directors shall have liberty to alter and vary the terms of remuneration within the limits set hereinabove subject to the provisions of Sections 198 and 309 of the Act and Schedule XIII thereto.

The aforesaid appointment is subject to termination with three months' notice from either side.

Your Directors recommend the Special Resolution for your approval. Except Mr. Manjay P. Shah, himself and Mr. Jignesh P. Shah, being relative, none of the Directors of the Company is in any way concerned or interested in the Resolution.

By Order of the Board

sd/-

Naishadh P. Desai

Sr. VP (Legal) & Company Secretary

Place: Mumbai

Date: 6th August, 2012

**Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting
(Pursuant to Clause 49 of the Listing Agreement)**

	Directors retiring by rotation, being eligible, offering themselves for re-appointment		Director Regularization	Director Regularization	Director Regularization
Name of the Director	Mr. P. R. Barpande	Mr. R. Devarajan	Mr. Jignesh P. Shah	Mr. Dewang Neralla	Mr. Manjay P. Shah
Date of Birth	29/11/1947	06/05/1954	12/01/1967	24/01/1969	01/06/1971
Date of appointment on the Board	11/08/2010	23/03/2009	15/09/2000	15/09/2000	01/04/2012
Qualifications	B.Com, LL.B, FCA	B.Com, FCA	B.E.	B.E.	Electrical Engineer
Expertise	Over 32 years of wide experience in Audit. He also specializes in US GAAP & IFRS.	Having 30 years of experience and in particular specializes in company statutory audits and personal and company taxation. His specialization also includes formation and audit/taxation of public charitable trusts.	Founder of the Company and is known as an 'innovator of Modern Financial Markets'. He has been using a model of public private partnership and thereby building world class financial institutions in emerging economies.	Chief Technology Architect and co-founder of the Company and plays a large part in creating the technology infrastructure that is central to the Group.	Total work experience spreads over a period of 16 years in the field of Marketing, Business development, Receivables management, Facilities and Infrastructure Management. Instrumental role in achieving 80% market share in Company Products.
Directorship held in other companies (excluding foreign and private companies)	1. MCX Clearing Corporation Ltd. 2. Blossom Industries Ltd. 3. MCX Stock Exchange Ltd. 4. Multi Commodity Exchange of India Ltd.*	1. National Bulk Handling Corporation Ltd. 2. National Spot Exchange Ltd. 3. Riskraft Consulting Ltd. 4. Tickerplant Ltd. 5. atom Technologies Ltd.	1. Indian Energy Exchange Ltd., 2. Multi Commodity Exchange of India Ltd., 3. MCX Stock Exchange Ltd., 4. National Bulk Handling Corporation Ltd., 5. National Spot Exchange Ltd.,	1. atom Technologies Ltd. 2. Boursa India Ltd. 3. Financial Technologies Communications Ltd. 4. Global Payment Networks Ltd. 5. Indian Bullion Market Association Ltd. 6. Riskraft Consulting Ltd. 7. Tickerplant Ltd. 8. Trans-Global Credit & Finance Ltd. 9. FT Projects Ltd.	NIL
Membership/ Chairmanship of committees across public companies	Membership – 3	Membership – 5 Chairmanship – 1	Membership – 1	Membership – 2	NIL
Number of shares held in the Company	NIL	NIL	8329585	60374	76918

*Appointed as a Director w.e.f. 28th June 2012.



FINANCIAL TECHNOLOGIES (INDIA) LIMITED

Regd. Office: Doshi Towers, 1st Floor, 1A & B, 156, Periyar EVR Salai, Kilpauk, Chennai - 600 010.

ATTENDANCE SLIP

[To be handed over at the entrance of the meeting hall]

Full name of the Member attending _____
(in block letters)

Full name of the first joint holder _____
(to be filled in, if first named joint holder does not attend the meeting)

Name of the Proxy _____
(to be filled in, if the proxy form has been duly deposited with the company)

I hereby record my presence at the Twenty Fourth Annual General Meeting of the Company to be held on Thursday, the 27th day of September 2012 at Sri P. Obul Reddy Hall (Vani Mahal),103,G.N.Chetty Road, T. Nagar, Chennai - 600 017 at 10.30 a.m.

No. of shares held : _____

Regd Folio No. : _____

DP ID/Client ID.* : _____

Members / Proxy Signature

(To be signed at the time of handing over of this slip.)

*Applicable to the members whose shares are held in dematerialized form

Note: Shareholders are requested to bring their copies of Annual Report to the meeting.



FINANCIAL TECHNOLOGIES (INDIA) LIMITED

Regd. Office: Doshi Towers, 1st Floor, 1A & B, 156, Periyar EVR Salai, Kilpauk, Chennai - 600 010.

PROXY FORM

I/We _____

of _____ in the district of _____

being a member(s) of the above named Company, hereby appoint Mr./Ms. _____

_____ of _____ in the district of _____

or failing him/her Mr./Ms. _____ of _____

in the district of _____ as my/our proxy to vote for me/us on my/our behalf at the Twenty Fourth

Annual General Meeting of the Company to be held on Thursday, the 27th day of September 2012 at 10.30 a.m. and at any

adjournment thereof.

Signed this _____ day of _____, 2012



No. of Shares held : _____

Regd. Folio No. : _____

DP ID/Client ID No.*: _____

Signature

* Applicable to the members whose shares are held in dematerialized form