

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

Dear Sirs,

Sub: Limited Review Report on Standalone Unaudited Financial Results of Financial Technologies (India) Limited for the quarter and six months ended September 30, 2015

Introduction

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results (the 'Statement') of **Financial Technologies (India) Limited** (the 'Company') for the quarter and six months ended September 30, 2015 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors on November 03, 2015. Our responsibility is to issue a report on the Statement based on our review.

Scope of Review

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

Basis for Qualified Conclusion

3. *As stated by the Management of the Company in Note 13 to the Statement, Writ Petitions (WP), Public Interest Litigation (PIL) and Civil Suits have been filed against the Company in relation to event occurred on NSEL's trading platform, wherein the Company has been made a party in the WP and Civil Suits. These matters are pending at various stages of adjudication. As stated in the said note, based on legal advice, the management of the Company does not foresee that the parties who have filed the WP, PIL, Civil Suits would be able to sustain any claim against the Company. In addition, as stated by the management in note 13, 14 and 15 to the statement, there are First Information Reports/notice registered/received against various parties including the Company with the Economic Offences Wing of the Mumbai Police (EOW), Central Bureau of Investigation (CBI) and MIDC Police Station, Mumbai District. In one of the matter as stated above, a Miscellaneous Application has been filed before MPID Court and the matter is sub-judice. Above matters are pending at various stages of adjudication/investigation.*



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

In the light of the above representations regarding the ongoing investigations and matters, the outcome of which is not known and is uncertain at this stage, we are unable to comment on the consequential impact in respect of the same on the results for the quarter and six months ended September 30, 2015.

Qualified Conclusion

4. *Except for the possible effects of the matter specified under 'Basis for Qualified Conclusion' and based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable accounting standards as specified under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies generally accepted in India has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the stock exchanges including the manner in which it is to be disclosed, or that it contains any material misstatement.*

Emphasis of Matter

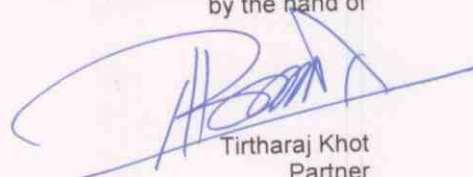
5. We draw attention to Note 11 to the Statement, which describes the receipt of the draft order proposing amalgamation of National Spot Exchange Limited with the Company. The Company has filed a Writ Petition before the Honourable Bombay High Court challenging the said order.
6. We draw attention to Note 12 to the Statement. Government of India has filed the Company Petition before the Principal Bench of the Company Law Board, under the Companies Act, 1956, seeking inter alia removal and supersession of the Board of Directors of the Company, which has been protested by the Company and the matter is pending before CLB for consideration.
7. We draw attention to Note 17 to the Statement, regarding utilisation of unexpired MAT credit entitlement by the Company. The Company has a total MAT credit entitlement of Rs.19,270.02 Lacs as at September 30, 2015. Based on the projections made by the Company's management regarding income-tax liability of the Company, Management is of the view that the Company will be able to utilise the unexpired MAT credit entitlement in eligible projected years.

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



Mumbai, November 03, 2015

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


Tirtharaj Khot
Partner

Membership No. (F) 037457

