63 moons™

August 23, 2019

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

Dear Sirs,

Sub: Annual Report (F.Y. 2018-19) of the Company, Notice convening 31st Annual General Meeting, Book Closure Dates & e-Voting information.

Pursuant to applicable regulations of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015, ("Listing Regulations") please be informed that the 31st Annual General Meeting ('AGM') of the members of the Company will be held on Wednesday, September 18, 2019 at 11.00 a.m. at Sri Chandrasekarendra Saraswathi Mahaswami Auditorium, Vani Mahal, 103, G.N. Road, T. Nagar, Chennai – 600017.

The Register of Members and Share Transfer Books will remain closed from September 12, 2019 to September 18, 2019 (both days inclusive) for the purpose of AGM and dividend. The payment of dividend will be made subject to the approval by members at the AGM and appropriate judicial orders;

a) To all those beneficial owners holding shares in electronic form, as per the beneficial ownership details to be furnished by NSDL/CDSL as on September 11, 2019;

b) To all those members holding shares in physical form, after giving effect to all valid share transfers lodged with the Registrar on or before September 11, 2019.

Further, the Company has fixed September 11, 2019 as the cut-off date to ascertain the eligibility of members entitled to cast their vote electronically on all the resolutions to be passed at the AGM. The same cut-off date would also ascertain the members, who do not cast their vote electronically and wish to cast their vote physically at the ensuing AGM. The e-voting schedule is as under;

Commencement of e-voting	September 13, 2019 (09:00 am onwards)
End of e-voting	September 17, 2019 (upto 05:00 pm)

Pursuant to Regulation 34(1) of the Listing Regulations, please find enclosed the Annual Report (F.Y. 2018-19) alongwith the Notice convening the 31st AGM of the Company. The said documents are also available on the website of the Company at www.63moons.com.

Kindly take the same on your records and acknowledge receipt.

Thanking You,

Yours faithfully,
For 63 moons technologies limited

Hariraj Chouhan
Sr. VP & Company Secretary

63 moons technologies limited

Encl: a/a

SATYAMEV JAYATE

सत्यमेव जयते नानृतं
सत्येन पन्था विततो देवयानः।

It is Truth that triumphs and not falsehood;
by Truth is laid out the path of the gods

येनाक्रमन्त्यृषयो ह्याप्तकामा
यत्र तत् सत्यस्य परमं निधानम्॥

by which the sages who have won over their desires,
ascend where Truth has its supreme abode.

63 moons™

ANNUAL REPORT 2018-19

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Venkat Chary (IAS, Retd.)
Chairman, Independent Non-Executive Director

Justice R. J. Kochar (Retd.)
Independent Non-Executive Director

Justice Deepak Verma (Retd.)
Independent Non-Executive Director

Mr. A. Nagarajan (IAS, Retd.)
Independent Non-Executive Director

Mrs. Chitkala Zutshi (IAS, Retd.)
Independent Non-Executive Director

Mr. Suresh Salvi (IAS, Retd.)
Non-Executive Director

Mr. Sunil Shah
Non-Executive Director

Mr. Kanekal Chandrasekhar
Non-Executive Director

Mr. Devender Singh Rawat
Non-Executive Director
(appointed w.e.f. 12/02/2019)

Mr. S. Rajendran
Managing Director & CEO

Mr. Devendra Agrawal
Whole-time Director & CFO

Mr. Rajendra Mehta
Whole-time Director
(ceased w.e.f. 29/11/2018)

REGISTERED OFFICE

63 moons technologies limited

Shakti Tower-1, 7th Floor, Premises-E, 766,
Anna Salai, Thousand Lights,
Chennai - 600002, Tamilnadu, India.

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F: +91 44 4395 0899

CORPORATE OFFICE

63 moons technologies limited

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

T: +91 22 6686 1010
F: +91 22 6725 0257

info@63moons.com
www.63moons.com

AUDITORS

Sharp & Tannan Associates

Chartered Accountants

SHARE TRANSFER AGENTS

Karvy Fintech Private Ltd.

Karvy Selenium Tower B, Plot No. 31 & 32 Gachibowli,
Financial District, Nanakramguda, Serilingampally,
Hyderabad - 500032, Telangana, India.

www.karvy.com

BANKERS

Axis Bank Limited
HDFC Bank Ltd.
Deutsche Bank AG
Standard Chartered Bank
Union Bank of India
Kotak Mahindra Bank

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सत्यमेव जयते नानृतं सत्येन पन्था विततो देवयानः।
येनाक्रमन्त्यृषयो ह्याप्तकामा यत्र तत् सत्यस्य परमं निधानम्।।

Satyameva Jayate Nanrutram Satyena Pantha Vitato Devayanah|
Yenakramantyrsayo Hyaptakama Yatra Tat Satyasya Paramam Nidhanam||

Satyamev Jayate or *Truth alone triumphs, is the ancient wisdom* that forms the core belief of Indian nationhood as depicted by the inscription of our national emblem.

This sacred *shloka, which is part of a mantra from the ancient Indian scripture Mundaka Upanishad,* literally means, "It is Truth that triumphs and not falsehood; by Truth is laid out the path of the gods by which the sages who have won over their desires, ascend where Truth has its supreme abode."

The national emblem is inspired by great Indian Emperor Ashoka's Lion Capital which he erected in 250 BC at Sarnath, near present-day Varanasi, the place where Ashoka's inspiration—*Gautam Buddha - imparted divine wisdom of Dharma or righteousness* to his chosen five disciples.

Emperor Ashoka's Lion Capital graced the top of the *Ashok Stambh* at Sarnath, and was carved out of a single block of yellow sand stone. It featured four Asiatic Lions sitting back to back, mounted on an abacus with sculptures of an elephant, a galloping horse, a bull, and a lion, separated by four chariot-wheels, which came to be known as the 24-spoke *Ashok Chakra or the Dharma Chakra. The same Ashok Chakra occupies a place of pride on the Indian tricolour.*

In Indian philosophy, *Mrugendra* or the lion stands for courage, *Gaj* or the elephant for intellect, *Ashwa* or the horse for speed and unbridled freedom and *Nandi* or the bull for truth and righteousness. This symbolism alone demonstrates Emperor Ashoka's vision of a welfare state that celebrated the spirit of truth and righteousness in the larger public interest.

On January 26, 1950, the day India became a sovereign democratic republic and its Constitution came into effect, it adopted a graphical representation of Emperor Ashoka's Lion Capital as its National Emblem and *Satyamev Jayate* as its national motto, inscribing it on every official seal, gazette and currency of the country.

The culmination of the unprecedented onslaught on us over the past few years has once again affirmed our unflinching faith in what became the doctrine of the Democratic Republic of India - *Satyamev Jayate!*

Letter From

CHAIRMAN'S DESK

THE VICTORY OF TRUTH
SATYAMEV JAYATE!

"First, they ignore you, then they ridicule you, then they fight you, and then you win."

Thus, spoke the *Father of the Nation, Mahatma Gandhi,* who swore by the power of truth, and fought non-violently all his life for the victory of truth and justice.

Your Company's belief, and experience, too, has been no different from this deeply moving ever-relevant reality.

More than two decades ago, Mr. Jignesh Shah, a young innovator / entrepreneur founded your Company and with his innovative zeal and entrepreneurial aggression, turned it into one of the finest examples of *Make in India,* creating 9 robust exchanges across the globe in a variety of asset classes including commodities, currency, equity, energy and bonds in as many years.

However, your Company's rapid growth in the markets was looked upon as a threat by certain monopolistic forces who envied us. These forces joined hands with certain vested interests to form an unholy nexus that created an artificial payment default crisis at one of our subsidiaries—the National Spot Exchange Limited (NSEL) in 2013.

By now, the perpetrators of this crisis stand exposed in the public domain and all of you know who these forces are and how they, with the revengeful motto, desired not just to halt our progress but to also force us out of the Exchange businesses completely.

Despite the entire money trail of the default amount having been traced to the 24 defaulting entities by the investigating agencies, and not a paisa was found with NSEL, FTIL and its founder, Mr. Jignesh Shah, the facts were ignored, we were ridiculed and attacked with vengeance, but, finally, we won!

Truth and justice won a hard-fought battle when, in a historic judgment, the Hon'ble Supreme Court set aside the forced merger of your Company with NSEL. In doing so, the apex court has taken away, once and for all, the proverbial Damocles' Sword of such arbitrarily forced mergers on India Inc., since no conglomerate would dare do new business via a subsidiary for the fear of facing amalgamation in so-called 'public interest' if the subsidiary were to face any trouble.

It is indeed a welcome move that while pronouncing the judgment in our case, the Supreme Court laid down the precise definition and the elaborate criterion for what constitutes 'public interest' and it is worthwhile to mention that here.

The SC ruled:

"In the context of compulsory amalgamation of two or more companies, the expression 'public interest' would mean the welfare of the public or the interest of society as a

VENKAT CHARY

Chairman,
Independent Non-Executive Director

whole, as contrasted with the "selfish" interest of a group of private individuals..."

All of you are aware that the vested interests of a group of private individuals comprising HNI traders have not only been misleading but also coercing investigative agencies, the media and the government, to take unfair and unwarranted actions against your Company, so that their attention is deflected from the right path of recovering the default amount from the defaulters to whom it has been traced.

Furthermore, it merits mention here that the apex court deemed it most appropriate to hold the interests of our shareholders, that is you, paramount in the present case.

In this context, the SC ruled:

"Even otherwise, this is a case where there is complete non-application of mind by the authority assessing compensation to the rights and interests which the shareholders and creditors of FTIL have and which are referred to in Section 396(3) of the Act. This being the case, it is clear that Section 396(3) has not been followed either in letter or in spirit."

Thus, in the end, the legitimate fight that your Company put through over the last six years has been worth the effort. We have succeeded in protecting shareholders' value and the larger democratic interest of Corporate India.

As far as business technologies are concerned, we have proved our mettle time and again. The mainstay of your company continues to be its strong balance sheet, impeccable infrastructure, dynamic human capital and an even stronger resolve to create value for its shareholders.

Your Company remains virtually a zero-debt company unlike many others. It has created over 1 million jobs through its allied ecosystem ventures directly and indirectly, without using any tax incentive, loan or favour from the government. At the same time it has been paying taxes to the exchequer and distributing dividends among shareholders every year without a break.

As we look into the future, 63 moons, with technology embedded in its DNA, is poised to create sustainable new digital ecology for full-scale commercialization of tech-innovation for the dynamic India of tomorrow!

VENKAT CHARY
Chairman, Independent Non-executive Director
63 moons technologies limited

Message From
MANAGING DIRECTOR & CEO

Dear Shareholders,

At the outset, let me congratulate you all on the historic victory of truth which has finally prevailed!

The recent landmark judgment of the Hon'ble Supreme Court setting aside the forced merger order of your Company with one of its subsidiaries, the National Spot Exchange Limited (NSEL), is indeed a shot in the arm not only for us but for the entire Corporate India. The apex court judgment goes a long way in holding high the concepts of corporate veil and limited liability which are the hallmark of the Companies Act of India and the sacrosanct spirit according to which companies are governed the world over.

It goes without saying that had such a draconian merger order been implemented, it would have pushed India into the dark ages of proprietorship making every corporate, whether from India or outside, wary of doing business in India through subsidiaries. That would have certainly harmed the entrepreneurial spirit and overall business confidence in India.

No wonder, the SC ruling has strongly invigorated your Company's resolve to continue fighting for truth to protect the interests of its stakeholders including shareholders, creditors and clients alike.

Here, I must bring to your notice that the Hon'ble Supreme Court has categorically termed the merger order "ultra vires" of Section 396 of the Companies Act, thereby implying that the forced merger order of a subsidiary into its parent company, per se, was itself erroneous.

It's a great pleasure to share that your Company has been growing at an immensely satisfying pace despite the challenges over the last six years. Our firm belief in truth and the country's judiciary from the very beginning, stands vindicated by this judgment. It has kindled our hope that we will cross all the legal hurdles in our path since truth is on our side. It has also invigorated our resolve to chart out the growth trajectory with our trademark innovative zeal and entrepreneurial aggression.

BUSINESS REVIEW

As all of you are aware, despite the challenges over the past few years, your Company has steadfastly moved ahead and maintained its momentum on tech innovations and business solutions to democratize the dividends accruing therefrom.

In a bid to enhance value creation from its current business verticals, your Company has undertaken

S. RAJENDRAN
Managing Director & CEO

a number of initiatives. Among them is ***Parivartan***, an initiative that envisaged implementation of agile process across development, audit and implementation throughout the brokerage trading solution (BTS) landscape to enhance quality and delivery standards of its offerings. As such, your Company has introduced a number of enhancements in its BTS offerings, too.

ODIN, your Company's No. 1 IP-centric solution of BTS continues to support over 5 lakh terminals, 25 lakh licenses facilitating over 10 lakh transactions a day and has created employment opportunities for over 25 lakh people, thereby impacting lives of over 1 crore Indians. It has enabled several market players and institutions to partake in the advancements of the financial markets in the past and it continues to equip and lead them all into the great future that lies ahead.

During the year under review, your Company incorporated several advancements in ODIN, prominent of them are highlighted here.

ODIN Tech Trader was launched to enable traders to explore (create strategies), evaluate (back test and optimize strategies) and execute-tech-based trading strategies from within ODIN Trading Terminal. This feature has been incorporated in both algo and non-algo modes.

ODIN VAS (Value Added Services), a marketplace for Financial Value-Added Services, was introduced on ODIN front-end trading platforms.

ODIN Aero, a rich internet application that enables end-to-end fin-analytics and trading capabilities, was launched with world-class UI (User Interface) and UX (User Experience).

ODIN Institutional segment was enhanced with SWAP Algo, One-Touch Algos for placement of Algo orders via FIX, VWAP+ Algo with Vol-Curve and a redesigned Index Basket to update the trading solution.

A newly designed and developed Mutual Fund segment was added in ODIN front-end trading platforms.

During the year, ODIN, as a comprehensive brokerage trading solution, was enabled to support **Commodity segment** as BSE and NSE launched commodity segments on their respective trading platforms.

Among other solutions those catering to the needs of financial market ecosystem have also been

enhanced to offer more specialised services. Some of these include:

Match™, an 'Enterprise Application Integration (EAI)' tool that facilitates Middle and Back Office operations, and supports multi-asset, multi-exchange, multi-branch operations and accounting has now been enabled to operate for Indian International Exchange (INX) in the International Financial Service Centre (IFSC) in GIFT (Gujarat International Finance-Tec) City in Gandhinagar, Gujarat. **Match™** is now equipped as a Back Office solution to support GIFT City exchanges as also other commodity exchanges. As such, Match™ solution also supports physical delivery in F&O segment as per changes introduced by the Regulator. This apart, collateral management and delivery dashboard of the solutions were also enhanced.

Protector™, a Middle Office Solution that works as real-time risk monitor, was enhanced to have VSA (Virtual Server Agent) functionality that manages Fund Managers accounts and NSCCL Clearing Management System (NCMS) on NSE. **e-Protector™** was enhanced to become multi-browser compatible solution.

STP-Gate™, a robust, secure messaging gateway solution and straight-through-settlement processing platform that provides online trading member interface between fund houses, custodians and brokers, was enabled to support Fund Accounting Management for PMS Clients and STP for Debt segment was updated to cope with the current regulatory environment.

Risk Solutions division of your Company, as you know, offers a product portfolio that mainly targets the financial sector on the regulatory as well as the regulated segments. With the regulatory landscape undergoing significant changes to address the issues that have emerged in the wake of the recent financial crisis in the banking and Non-banking Financing Companies (NBFCs). The new regulations for liquidity management and stress testing have opened new opportunities for the products of Risk Solutions. The division, thus, expects business environment to improve in the ensuing years.

DataCollector, a flagship product of Risk Solutions division, is exploring the possibilities for extending the capabilities to the non-BFSI public sector apex agencies.

During the year, your Company's Risk Solutions division has launched an application **'surveymoons'**, which is a cloud-ready survey or form-building engine that is equipped to compete and take advantage of the rise in the digitalization of the economy.

Exchange Technology, another business vertical of your Company continues to support commodity derivatives on MCX as also equity, currency derivatives and debt segment on the Metropolitan Stock Exchange of India (MSEI). Through this vertical, your Company continues to be the provider of mission critical technology solution to these exchanges.

During the year, the exchange technology team has successfully implemented the second phase of its low-latency solution at MCX. The team worked ceaselessly to develop and deliver working solution of Inter-Operability in less than a month's time to meet MSEI's expectations.

Your Company has taken great efforts to match the expectations of its patrons of its product portfolio and it is glad to share that the bouquet of these solutions has been well-appreciated and well received in their respective segments of financial markets. Your Company's endeavour remains to make these offerings more dynamic to meet the requirements of the current and future financial markets.

BUSINESS OUTLOOK: THE YEAR AHEAD

Your Company sees a bright future ahead in a society like ours that is ever-evolving and absorbing myriad advancements in the realm of technology. With technologically updated solutions for the financial markets, your Company looks forward to better business prospects. Your Company would like to appreciate the efforts of the Government of India in bringing a series of initiatives in the field of inclusive growth through technology. A firm, stable and progressive government like the present one is undoubtedly better equipped to usher in pragmatic economic reforms for upscaling economic growth. As per the vision of Hon'ble Prime Minister Shri. Narendra Modi, the Hon'ble Finance Minister, Smt. Nirmala Sitharaman has already defined India's ambition to be $5 trillion economy by 2024 stating that it is "challenging but achievable." With this aim, the government has plans to unveil

'Digital India 2.0' and has identified five strategic pillars to make India a truly digitally literate society.

Your Company will work even harder on its tech-innovations to continue being a partner in India's growth story and looks forward to opportunities for business growth as it sees big-time opportunities in creating a digitally literate demography.

This success of ***Digital India*** launched by the government during its first term has already been well established. Our liberal telecom policy, the availability of affordable feature-rich smartphones, and healthy competition among our service providers has also given an unprecedented fillip to internet literacy in the country.

According to Internet Trends Report 2019 by American venture capitalist and former Wall Street securities analyst, Mary Meeker, who works on Internet and New Technologies, global internet users have touched 3.8 billion which is more than half of the world's population. Of these, China ranks first at 21% of internet user base, followed by India at 12%, and the United States at 8%.

The India region (comprising India along with Nepal and Bhutan) had the highest average usage per smartphone reaching 9.8 gigabytes per month at the end of 2018 and the launch of 5G will only boost this. Smartphone users in India are already projected to double to 829 million by 2022 from 404.1 million in 2017! The total number of digitally connected devices—of which Smartphones shall account for 38%—shall reach 2.2 billion in 2022 from 1.6 billion in 2017.

As India takes a phenomenal leap into the digital world with the government aggressively executing its vision of ***Digital India 2.0*** for a deeper penetration of digital technology in the industry and markets, your Company sees a very bright future for growth of its existing business verticals.

I welcome you all in this highly exciting journey of the new-age technologies.

Satyamev Jayate!

S. RAJENDRAN
Managing Director & CEO
63 moons technologies limited

BOARD OF DIRECTORS

VENKAT CHARY (IAS, RETD.)

Chairman - Independent Non-Executive Director

Mr. Venkat Chary is the Chairman - Independent Non-executive Director of 63 moons technologies limited. He was the FMC approved Independent Director and Chairman, Multi Commodity Exchange (MCX), India's No.1 commodity futures Exchange and the very first Exchange in India to be listed on a stock exchange. He was the first Chairman, Indian Energy Exchange (IEX), India's 1st power Exchange with 97% market share, Chairman, Bourse Africa, Mauritius, Africa's first multi-asset Exchange (Mauritius being a country where both English and French are languages of habitual use), and former Member, Advisory Board, Metropolitan Stock Exchange of India Limited (formerly MCX-SX).

Earlier, he was a member of the Indian Administrative Service (IAS). While in the IAS, he was the Secretary, Maharashtra State Electricity Board, General Manager, Bombay Electric Supply & Transport Undertaking (BEST), Divisional Commissioner (Bombay and Konkan), Municipal Commissioner, Greater Mumbai Municipal Corporation, Joint Secretary & Industries Commissioner, Maharashtra, Secretary to the Chief Minister of Maharashtra, Finance Secretary, Planning Secretary, Home Secretary and officiating Chief Secretary of Government of Maharashtra, in Mumbai. He was Chairman, Forward Markets Commission, the country's commodity regulator, and Deputy Director of the prestigious Lal Bahadur Shastri National Academy of Administration, Mussoorie, Government of India, and post-retirement, Member, Maharashtra Electricity Regulatory Commission, the State's electricity regulator. During his career in the IAS, Mr. Chary has also been Chairman, Vice-Chairman, MD and CEO, and Government director on as many as 15 Central and State Government public sector companies.

While working with the Government of India, Cabinet Secretariat, in New Delhi, Mr. Chary was deputed in 1972 for doing a post-graduate Diploma in Economics and Finance at the 'Ecole National d'Administration' or ENA, the elite training institution for French senior civil servants. In 1978-79, he did another specialized course on International Economic Relations at the same institution.

Mr. Chary is a Governor's nominee on the Indian Red Cross Society (Maharashtra Chapter), is Member of the Advisory Board of 'One India One People Foundation' (the Foundation brings out a niche monthly magazine and conducts constructive activities for school students), and is Member of the Directing Committee for the grant of the prestigious Jamnalal Bajaj Awards. He is past-president Indo-French Technical Association, consisting of engineers, scientists (including nuclear scientists), finance experts, etc., who have either studied or worked in France.

Mr. Chary also has a law degree and he practices law as an Advocate in the Bombay High Court. He is empanelled with the Indo-French Centre for Mediation and Arbitration, Lyon, France, and can mediate in disputes between Indian and French Companies.

JUSTICE R. J. KOCHAR (RETD.)

Independent Non-Executive Director

Justice R. J. Kochar, former Judge, Bombay High Court, retired in October 2003 with an immaculate and impeccable track record of transparent and bright judicial career of over 32 years in legal fraternity. He is a founder Member of the reputed Labour Law Journal viz Current Labour Reports, Bombay, and has delivered a number of reported Judgments on several issues – Civil and Industrial. He has written number of articles and contributed to several Law Journals including the AIR, Current Labour Reports, Indian Factories Labour Reports and also in reputed Marathi periodicals and dailies. He currently does arbitration work as assigned by the High Court and various parties.

JUSTICE DEEPAK VERMA (RETD.)

Independent Non-Executive Director

Justice Deepak Verma is a former Judge of the Supreme Court of India. Justice Verma has four decades of rich experience in various judicial positions. He held senior positions including, Judge of the Supreme Court of India, Chief Justice of the Rajasthan High Court, Judge of the High Court of Madhya Pradesh, Judge of the Karnataka High Court, Bangalore.

Mr. Verma was additionally appointed as Welfare Commissioner, Bhopal Gas Victims, to disburse the amount of compensation to the Gas Victims of Bhopal. Almost all the victims have been awarded compensation during his tenure except for those who were not traceable despite notices.

A. NAGARAJAN (IAS, RETD.)

Independent Non-Executive Director

Mr. A. Nagarajan, I.A.S. (Retd.) is a former Special Chief Secretary and Development Commissioner to the Government of Tamilnadu. During his career span Mr. Nagarajan was associated with various institutions / Government bodies / Corporations inter-alia Housing & Urban Development Dept., Tamilnadu Powerfin Development Corporation Ltd., Tamilnadu Industrial Investment Corporation Ltd. He was also former Special Commissioner of Treasuries and Accounts, Member Secretary of State Planning Commission, Additional Secretary, Industries - Government. of Tamilnadu, Commissioner - Regional Provident Fund, Chennai, Executive Director - National Seeds Corporation.

CHITKALA ZUTSHI (IAS, RETD.)

Independent Non-Executive Director

Ms. Zutshi is a post graduate in Sociology from the University of Rajasthan. She retired from the Indian Administrative Services (IAS) with four decades of experience in diverse fields.

She held various posts with the Government of India and the Government of Maharashtra including Additional Chief Secretary, Home Department, Government of Maharashtra; Principal Secretary, Finance Department, Government of Maharashtra; Projects Chief with the Ministry of Textiles, Government of India; Member of the Maharashtra Water Resources Regulatory Authority, a Statutory Body. She has led Government delegations to the US, UK, Canada, Australia, France, Japan and about 40 other countries.

MR. SURESH SALVI (IAS, RETD.)

Non-Executive Director

Mr. Suresh Salvi is a Governance expert with more than 40 years of diverse experience of leading various Government and corporate organizations in matters of public policy, regulatory affairs, administration and project strategy. Mr. Salvi retired from Indian Administrative Services (IAS) with three decades of rich experience: Held senior posts including, Secretary to Government, Municipal Commissioner, Managing Director & CEO, District Collector among others with the Government of Maharashtra.

Mr. Salvi's corporate experience include as President at NMSEZ & MSEZ (Reliance Group SEZ Project) where he led teams on land and land related legal & regulatory issues, rehabilitation, community development & CSR. He also worked with NGOs of repute in relation to tackling health, education & skill upgradation of various groups in weaker section communities. Mr. Salvi was also Consultant to TCS regarding implementation and execution of Software Development Project for GOI's NREGS Act.

SUNIL SHAH

Non-Executive Director

Mr. Sunil Shah is the Managing Director of Motivation Engineers and Infrastructure Pvt. Ltd. He serves as Chairman of Vibrant Motivation and Development Foundation (a Section 8 company). Mr. Shah serves as Advisor to various Educational Institutions. He is also a Founder Chairman, All Gujarat Innovation Society, Mentor at Power of Idea IIM Ahmedabad and Times of India initiative since inception. Guest Speaker at Management Institution, Association and at various events both at National and International level. He was Vice President at Ahmedabad Management Association. He is currently Member Board of Management, Dr. Baba Saheb Ambedkar open University and Member of State Innovation Council. He is a IIMA Alumni.

KANEKAL CHANDRASEKHAR

Non-Executive Director

Mr. Kanekal Chandrasekhar is an accomplished and multifaceted professional with demonstrated capabilities in corporate planning and driving marketing strategy. With his vast experience of over three decades in the banking sector, Mr. Chandrasekhar has expertise in revenue maximization, resource management and financial as well as administrative operations in a competitive environment. He also has in-depth knowledge and practical exposure in various departments such as credit, treasury, foreign exchange, agriculture and general administration.

Mr. Chandrasekhar was associated with Union Bank of India for over 34 years and had held various positions including Chief Manager, General Manager and Field General Manager among others. He has also held directorships in companies such as CIBIL, NABARD and Ace Derivative and Commodity Exchange Limited. He is also a qualified Insolvency Professional.

DEVENDER SINGH RAWAT

Non-Executive Director

Mr. Devender S. Rawat, a Commerce Graduate with MA in Economics started his professional career with the country's regional apex Chamber PHD Chamber of Commerce & Industry in various capacities and as Senior Director served the PHD Chamber for 20 years. He moved to the oldest Apex Chamber ASSOCHAM and served as Assistant Secretary General for two years and thereafter became the CEO & The Secretary General and achieved the distinction of serving ASSOCHAM for the longest period of 14 years. During his tenure, ASSOCHAM service base increased from 400 to 4,50,000 units, established 10 national offices and 27 international offices. Its own Building known as ASSOCHAM Global Headquarters was set up in National Capital. He took voluntary retirement in September 2018.

Mr. Rawat was on Government Committees of various Ministries and public sectors such as ITPO, NSDC, S&T, GST, etc. Mr. Rawat has travelled globally and addressed various international forums such as UNDP, ILO, UNIDO, etc.

Mr. Rawat is currently associated as President of the CCI India Chamber, Vice Chairman of MSME Export Promotion Council, Chairman of Confederation of Organic Food Producers and Marketing Agencies of India and Vice Chairman of The Foundation for Millennium Sustainable Development Goals. He has brought out large number of studies and contributed in many publications. He has been interacting at the highest level nationally and internationally.

S. RAJENDRAN

Managing Director & CEO

Mr. S. Rajendran, is a post graduate in Commerce and a CAIIB, with more than 38 years of rich experience as a senior banking professional and multi-functional experience covering most areas of commercial banking and Enterprise-wise Risk Management in particular including guiding banks on moving to Advanced Approaches. He has extensive experience in Corporate Credit, Treasury and Investment Management, International Banking, Overseas Expansion, Skill Development and Training, Business Development, Branch banking set-up and operations and Customer Relationship Management, Internal controls, Regulatory Compliance and Audits and Training, Research and Knowledge Management. He had been MD & CEO of Technology Company for more than 4 years engaged in creation of Data Warehouse for Banking Industry.

DEVENDRA AGRAWAL

Whole-time Director & Chief Financial Officer

Mr. Devendra Agrawal, a Chartered Accountant by qualification with over 25 years of professional experience in finance, accounts, MIS and taxation. He has a rich experience of working with organizations such as Aditya Birla Group of Companies and Reliance Industries Limited in his past assignments spread over 12 years. He is associated with 63 moons technologies limited since 2006. Mr. Agrawal is a versatile personality with excellent managerial abilities and human approach.

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DIRECTORS' REPORT

DIRECTORS' REPORT

To,

The Members,

Your Directors present the Thirty-first Annual Report of your Company together with the Audited Financial Statements for the year ended March 31, 2019.

FINANCIAL PERFORMANCE

Financial Results Standalone and Consolidated

The financial statements for the year ended 31st March, 2019 has been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the 2013 Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the 2013 Act, as applicable.

(₹ in lakhs, except per share data)

	Standalone		Consolidated	
Particulars	**Current Year 2018-19**	**Previous Year 2017-18**	**Current Year 2018-19**	**Previous Year 2017-18**
Total Income	30,726.80	42,838.62	46,421.44	52,837.78
Total Operating expenditure	26,381.76	24,768.82	45,493.66	39,642.43
EBITDA	**4,345.04**	**18,069.80**	**927.78**	**13,195.35**
Finance costs	410.17	722.55	440.36	969.88
Depreciation / amortization	1,811.89	2,216.30	2,602.52	2,995.35
Profit / (Loss) before exceptional item and tax	**2,122.98**	**15,130.95**	**(2,115.10)**	**9,230.12**
Exceptional Item	(1,027.13)	(8,157.58)	(297.05)	(2,686.43)
Profit / (Loss) before tax	**1,095.85**	**6,973.37**	**(2,412.15)**	**6,543.69**
Provision for taxation	1,086.59	5,335.61	1,132.65	5,356.90
Profit after Tax / Net Profit for the year	**9.26**	**1,637.76**	**(3,544.80)**	**1,186.79**
Add: Net minority interest in profit of subsidiaries	0.00	0.00	(19.20)	(20.42)
Profit after Tax / Net Profit for the year	**9.26**	**1,637.76**	**(3,525.60)**	**1,207.21**
Earnings per share				
Basic	0.02	3.55	(7.65)	2.62
Diluted	0.02	3.55	(7.65)	2.62

RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

Standalone Financials

The total revenue from operations for the year ended March 31, 2019 was at ₹ 14,719.07 lakhs as compared to ₹ 22,671.54 lakhs for the year ended March 31, 2018.

For the year under review, your Company has reported profit before finance cost, depreciation, exceptional items and tax of ₹ 4,345.04 lakhs, compared to profit of ₹ 18,069.80 lakhs in the previous year. Profit before tax was ₹ 1,095.85 lakhs, compared to Profit of ₹ 6,973.37 lakhs in the previous year. The profit for the current year is lower due to reduced earnings from Indian Energy Exchange (IEX), who were given a perpetual license for the software in the year 2017-18. Income of other segments have shown improvements despite adverse conditions faced by the Company

The net profit after tax (PAT) during the year was of ₹ 9.26 lakhs as compared to profit of ₹ 1,637.76 lakhs in the previous year.

Consolidated Financials

The consolidated Net Loss for the year ended March 31, 2019 was at ₹ 3,525.60 lakhs, against Profit of ₹ 1,207.21 lakhs in the previous year ended March 31, 2018. Shareholders' funds as at the year ended March 31, 2019 was at ₹ 317,946.25 lakhs as against ₹ 320,536.19 lakhs as at March 31, 2018. Shareholders' fund includes non-controlling interest of ₹ 188.01 lakhs as compared to ₹ 207.21 lakhs in previous year.

Pursuant to the provisions of the Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, are available on the website of the Company.

The Company continues to carry out activities as stated in the main object clause of its Memorandum of Association as there has been no change in the nature of its business.

BUSINESS OVERVIEW: FISCAL YEAR 2018-19

Your Company, despite being saddled with legal matters relating to payment crisis at one of its subsidiaries, has shown vibrancy in its performance during the year 2018-19. Besides, the Company is at a point, where it feels recharged with new belief and vigour, as one of the major obstacles in the above-said legal matters has been vanquished. The Hon'ble Supreme Court has set aside ruling on the merger order by the Hon'ble Bombay High Court stating that, National Spot Exchange Limited (NSEL) be merged with your Company, 63 moons technologies limited. Consequently, your Company's stand remains justified.

Overall vibrancy witnessed in the businesses of your Company can be attributed to refinements and enhancements added to the technologically innovative solutions across the range via 'Parivartan' – an initiative of 63 moons technologies limited. This initiative has proved fruitful in retaining the leadership position in the market.

As a part of the Parivartan initiative the business verticals of your Company were fortified with the latest updates,

Brokerage Trading Solutions (BTS) Business

Your Company's core business vertical comprises of brokerage trading and allied solutions that targets brokers' and traders' communities of the securities markets. **ODIN** – flagship suite of solutions for brokerage - continues to retain its leadership position in the market. During the year under review, your Company has enabled the suite of solutions to serve several segments of financial markets via this product, and the advancements incorporated in these offerings continues to equip the patron of these offerings and ensures to lead them into the great future.

Prominent of the enhancements incorporated in ODIN were,

ODIN Tech Trader enables traders to explore (create strategies), evaluate (back test and optimize strategies) and execute tech-based trading strategies from within ODIN Trading Terminal. ODIN has been incorporated in both, algo and non-algo modes.

ODIN VAS (Value Added Services), a marketplace for Financial Value-Added Services, was introduced on ODIN front-end trading platforms.

ODIN Aero, a rich internet application that enables end-to-end fin-analytics and trading capabilities was launched with world-class UI (User Interface) and UX (User Experience).

ODIN Institutional segment was enhanced with SWAP Algo, One-Touch Algos for placement of Algo orders via FIX, VWAP+ Algo with Vol-Curve and a redesigned Index Basket to update the trading solution.

Among others, ODIN solution was enhanced to serve **Mutual Fund** segment and **Commodity segment** was enabled to support commodities trades in F&O on BSE and NSE.

Among other solutions those cater to the needs of financial market ecosystem have also been enhanced to offer more specialised services. Some of these include, **Match™, Protector™ and STP-Gate™.**

With these enhancements to the service offerings, your Company has taken due care of making each of the solutions to take on the market dynamism.

Exchange Technology Business

Exchange Technology business vertical continues to support MCX, as also equity, derivatives, currency derivatives and the debt segment of Metropolitan Stock Exchange of India (MSEI). Through this vertical, your Company continues to be the provider of mission critical technology solution to these exchanges.

During the year, the exchange technology team has successfully implemented the second phase of its low-latency solution at MCX. Further, the team worked constantly to develop and deliver working solution of Inter-Operability in less than a month's time to meet MSEI's expectations.

Risk Solutions Division of your Company offers a product portfolio that mainly caters to the needs of the financial sector – on the regulatory as well as the regulated segments. Of late, the regulatory landscape is undergoing significant changes as issues have emerged

in the wake of the recent financial crisis in the banking and non-banking financing companies (NBFCs). The new regulations for liquidity management and stress testing have opened up some new opportunities for the products of Risk Solutions. The division, thus, expects business environment to improve in the coming times.

DataCollector, a flagship product of Risk Solutions division, is exploring the possibilities for extending the capabilities to the non-BFSI public sector apex agencies.

The division has launched an application **'surveymoons',** which is a cloud ready survey / form-building engine that is equipped to compete and take advantage of the rise in the digitalization of the economy.

New Vision

Your Company has been at the forefront in providing number of technology-based solutions in the financial marketspace. With the past track-record as a shareholder-rewarding company, your Company foresees the future that would enrich the lives of its patrons and maximize shareholders' value.

Technology being its DNA, your Company believes in disrupting the current structure for enabling a future ready technology in its sphere of operations. Your Company's ability to convert the crisis into an opportunity has been the testimony of it being adaptive during current times of crisis, and with able leadership of visionaries at the management position of your company is sure to navigate through the challenging times. Now with one step forward on the path of successful resolution of the payment crisis, we feel invigorated to march ahead with new ideas and conquer newer areas!

Legal matters

In the wake of the crisis at NSEL, your Company has been made party to several litigations over the last six years. The Ministry of Corporate Affairs, Govt. of India ("MCA") issued a final order dated February 12, 2016 ("Final Merger Order") for amalgamation of your Company with NSEL under section 396 of Companies Act, 1956. The Hon'ble Supreme Court was pleased to set aside the Bombay High Court order dated December 4, 2017 dismissing our writ petition, challenging the final merger order of the MCA. The Hon'ble Supreme Court was pleased to hold that the final merger order passed by the MCA was ultra vires the provisions of Section 396 of the Companies Act. While striking down the enforced merger of NSEL with your Company, the Hon'ble Supreme Court in its Order dated April 30, 2019, (Page 99, clause 58) noted and took on record the Affidavit cum Undertaking dated April 11, 2019, submitted by your Company stating that your Company will continue to infuse funds into NSEL, so that the recovery of dues from defaulters does not, in any manner, get stymied and accordingly in terms of the said Affidavit, your Company is bound to continue funding to NSEL.

In a civil suit filed by L.J. Tanna Private Limited & Ors., the Hon'ble Bombay High Court passed an ad interim order dated September 30, 2015 inter alia restraining your Company from distributing any dividend or depositing the same in the dividend distribution account in accordance with the provisions of the Companies Act, 1956, pending the final hearing and disposal of the Notice of Motion. The matter is pending before the Hon'ble Bombay High Court. In compliance to the order, the Company has not distributed the final dividend to the shareholders pursuant to the directions of the Hon'ble Bombay High Court. Contempt petition was also filed in the civil suit filed by L.J. Tanna, alleging the violation of the orders of Bombay High Court. Show cause notice has been issued against NSEL and the Company. Reply has been filed by the Company in the show cause notice. The matters are pending for hearing.

The Ministry of Corporate affairs (MCA) had filed the Petition inter alia under the provisions of Sections 388B, 397, 398 and 401 of the Companies Act, 1956 for removal and supersession of the Board, before the erstwhile Company Law Board ("CLB") being Company Petition No. 1 of 2015 ("Company Petition"). The NCLT vide its order dated June 4, 2018 rejected the prayer of the Union of India for removal and supersession of the Board of the Company. However, hon'ble tribunal was pleased to order that the Government may nominate not more than 3 directors to the Board of your Company. Your Company has preferred appeal against the said order of the NCLT before the NCLAT. The NCLAT was pleased to stay the order of the NCLT. The Appeal is pending for hearing.

Your Company continues to defend itself in various other litigations filed against it.

The Government of Maharashtra vide its Notification dated September 21, 2016 has attached certain properties of your Company. The Government of Maharashtra again, in the month of April / May 2018, vide its various Notifications attached the various bank accounts, properties, investments and ODIN software, its Intellectual Property rights and its receivables. The said notifications have been challenged before the Hon'ble Bombay High Court (Writ Petition 508 of 2017 and 1181 of 2018). The Hon'ble High Court was pleased to stay the notifications vide its interim order dated October 24, 2018. The Final hearing in the matter has been concluded and the matter is now reserved for orders. EOW has filed charge sheet against your Company before the MPID court, the Company defends the same before the MPID court.

Modulus, USA has filed a case against the Company for alleged infringement of its trademark. The Notice of Motion filed in the said suit was disposed off by a consent order dated October 7, 2016. The Company has filed its written statement.

The Directorate of Enforcement has attached properties to the tune of ₹ 1,350 crores (approx.) vide provisional attachment orders dated September 14, 2016, September 30, 2016 and January 31, 2017 issued under the Prevention of Money Laundering Act, 2002 **("PMLA")**. The adjudication proceedings before the Adjudicating Authority under PMLA have been completed in respect of the provisional attachment orders dated September 14, 2016, September 30, 2016 where in the attachments have been confirmed.

The Company has filed an appeal before the Appellate Tribunal established under the PMLA and the same are pending for hearing.

The Directorate of Enforcement has initiated a complaint under the Prevention of Money Laundering Act (PMLA) against your company before the PMLA Spl. Court. The Company defends the same before the PMLA court.

The Company has filed suit for damages against Mr. Ramesh Abhishek, Mr. K. P. Krishnan and Mr. P. Chidambaram before the Hon'ble Bombay High Court for their malafide act against the Company in NSEL payment default. The Hon'ble Bombay High Court issued summons to the aforesaid defendants.

After investigation in the matter of NSEL, EOW, Mumbai has presently filed 4 charge-sheets in the matter. The Company has been named in the charge sheet in December, 2018 copy of which was received by the Company in April, 2019.

Except as stated above, no material changes and commitments have occurred after the close of the financial year till the date of this Report, which significantly affects the financial position of the Company.

Explanation to the Qualifications in Auditor Report

A. Audit Report on Standalone Financial Statements

The Management explanation for qualification made by the Statutory Auditors in their Independent Auditors Report dated May 27, 2019 on the Standalone Financial Statements for the year ended March 31, 2019 is as under:

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

First Information Reports (FIRs) have been registered against various parties, including the Company, with the Economic Offences Wing, Mumbai (EOW) and Central Bureau of Investigation (CBI) in connection with the counter party payment default on NSEL trading platform. After investigation, EOW, Mumbai has presently filed 4 charge-sheets in the matter. The Company has been named in the charge sheet in December, 2018 copy of which was received by the Company in April, 2019. CBI has filed charge-sheets including against the Company for alleged loss caused to PEC Ltd. & MMTC Ltd. on NSEL platform and the case is pending for trial before the CBI court.

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

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

b) The Company has filed a Writ Petition before the Bombay High Court challenging inter alia, the provisions of the MPID Act are violative of the Constitution and the notification dated September 21, 2016, attaching the assets of the Company under the provisions of the MPID. The matter is reserved for order.

The State Government under the MPID Act has attached several Bonds, bank accounts, investments, Fixed Deposits and ODIN software and its receivables of the Company vide gazette notifications dated April 04, 2018; April 07,

2018; April 11, 2018; April 17, 2018; April 19, 2018; May 15, 2018; September 19, 2018 and corrigendum dated September 27, 2018, the Competent Authority has filed Misc. Applications before the MPID Court to make absolute the attached properties mentioned in aforesaid gazette notifications. The Company has filed a writ petition before the Hon'ble Bombay High Court challenging the legality and validity of the aforesaid notifications. The Hon'ble Bombay High Court while admitting writ petition has granted stay to notifications. The writ petition is reserved for order.

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

d) The Serious Frauds Investigation Office ('SFIO') published a Public Notice during December 2016 in a newspaper wherein it has been mentioned that the Central Government had directed the SFIO to investigate into the affairs of the Company. SFIO has concluded its investigation and filed report to Central Govt.

B. Audit Report on Consolidated Financial Statements

The Management explanation for qualifications made by the Statutory Auditors in their Independent Auditors Reports dated May 27, 2019 on the Consolidated Financial Statements for the year ended March 31, 2019 are as under:

1. With respect to item no. 1 which pertains to the Company refer paragraph (A) above.

2. With respect to item no. 2 which are pertaining to the qualifications made by the Statutory Auditors of a subsidiary viz National Spot Exchange Limited (NSEL) in their Independent Auditors Report on NSEL's Consolidated Financial Statements for the year ended March 31, 2019 which has been reproduced by the Statutory Auditors of the Company (63moons) in their Independent Auditors Report (Auditors Report) dated May 27, 2019 on the Consolidated Financial Statements for the year ended March 31, 2019, the explanation given by the management of NSEL and its subsidiary "Indian Bullion Market Association Limited" (IBMA) are as under: ("Company" in the qualifications below refer to NSEL or IBMA, as the case may be)

i) With respect to qualification 2(a) in Auditors Report, explanation of NSEL's Management is as under:

Investigating agencies are investigating genuineness of the warehouse receipts issued by the Exchange as well as the frauds perpetrated by the erstwhile senior officials of the Exchange. The Government by Gazette Notification SO 2529(E) dated September 19, 2014 has withdrawn the Gazette Notification SO 906(E) dated June 05, 2007 (by which the Company was granted exemption under Section 27 of the FCR Act, 1952 for trading of forward contracts of one day duration) with immediate effect and consequently the notification SO 228(E) dated February 06, 2012 and notification SO 2406(E) dated August 06, 2013 ceased to be in force w.e.f. September 19, 2014, as informed to the Company by the FMC vide letter dated November 05, 2014. As the reply to the said SCN has been given and actions, if any, required due to SCN has been taken, including withdrawal of the exemption itself, the Company do not foresee any further consequences on the SCN. FMC / Ministry of Consumer Affairs has not adjudicated the SCN issued to NSEL for violation of the conditions of the exemption notification dated June 05, 2007, which was the subject matter of the SCN. All contracts traded on the Exchange platform were proper and in consonance with applicable laws, exemption notifications and there were no violations in this regard. The Company had obtained a legal opinion on the legality of the contracts traded by the members on the exchange platform. The Company is taking all steps to defend its position, however since all matters are sub-judice, the Company is unable to quantify the impact, if any, of such legal proceedings on the financial statements of the Company.

In case of provision for impairment of Financial assets relating to amounts to be recovered from defaulting members, NSEL has secured decrees / Arbitration Award worth ₹ 3,365 crores and has initiated execution proceedings against the Defaulting members to recover Decretal amounts. Further, the High Court Committee has crystalized the liability

to the tune of ₹ 868.25 crores of defaulting members. The said reports will be converted into the decree once the same are accepted by the High Court.

ii) **With respect to qualification 2(b) in Auditors Report, explanation of NSEL's Management is as under:**

The Majority in value of the trade and other receivables, loans and advances etc. are under litigation / subject to court orders. Company has already made provision for the majority of the value or disclosed the reason for non-provisioning. Company is making full efforts for recovery of the amount.

DIVIDEND

Your Directors have recommended a dividend of ₹ 2/- per share i.e. 100% on the face value of ₹ 2/- per share for the FY 2018-19. The distribution of said dividend shall be subject to the approval of shareholders at the forthcoming Annual General Meeting and appropriate judicial orders.

As the Shareholders are aware, the following dividends are pending for distribution due to the Hon'ble Bombay High Court order:

a. The final dividend of ₹ 5/- per share for the FY 2014-15, approved by the shareholders at the Annual General Meeting held on September 30, 2015, could not be paid as the Hon'ble Bombay High Court vide its order dated September 30, 2015 in Notice of Motion no. 1490 of 2015 in Suit no. 121 of 2014 – L.J. Tanna Shares & Securities Pvt. Ltd. and Ors., Vs. Financial Technologies (India) Limited inter-alia directed that pending hearing and final disposal of Notice of Motion "FTIL shall not distribute any dividend amongst its shareholders and shall also not deposit any amount in compliance with Section 123 sub-clause (iv) of the Companies Act, 1956", (to be read as Companies Act, 2013).

b. Payment of ₹ 2/- per share for FY 2016-17 approved by the shareholders at the 29th AGM held on September 27, 2017 is pending subject to appropriate judicial orders.

c. Payment of ₹ 2/- per share for FY 2017-18 approved by the shareholders at the 30th AGM held on September 27, 2018, is pending subject to appropriate judicial orders.

Prior to the above mentioned High Court order, your Company has paid consecutive dividends for the past 38 quarters which is in accordance with the sustainable dividend payout policy of the Company and linked to its long term growth objectives.

TRANSFER TO RESERVES

Your Company does not propose to transfer any sum to General Reserve for the year under review.

SHARE CAPITAL

There was no change in the Share Capital of the Company during the year under review. As on March 31, 2019, the paid-up equity Share Capital of your Company stood at ₹ 921.57 lakhs comprising of 46,078,537 equity shares of ₹ 2/- each. During the year under review the Company has not issued any shares with differential voting rights nor has it granted any Stock Option or Sweat Equity.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), is provided in a separate section forming part of this Annual Report.

DETAILS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES AND THEIR PERFORMANCE HIGHLIGHTS

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 ("Act"), a statement containing salient features of the financial statements of Company's subsidiaries, associate companies and joint ventures is given in Form AOC-1 as **Annexure - I** and the same forms part of this report. The statement also provides the details of highlights of performance of subsidiaries. The financial statements of each of the subsidiaries may also be accessed on the website of the Company www.63moons.com. These documents will also be available for inspection on all working days i.e. except Saturdays, Sundays and Public Holidays at the Registered Office of the Company till the date of AGM.

During the year under review, Bahrain Financial Exchange BSC(C) (BFX) (subsidiary of FT Group Investments Pvt Ltd. - FTGIPL) and BFX Clearing & Depository Corporation BSC(C) (subsidiary of BFX), step-down subsidiaries of your Company have been liquidated w.e.f. 23rd October, 2018 and 8th August, 2018, respectively. Further Bourse Africa (Botswana) Limited (BABL) (subsidiary of FTGIPL), Bourse Africa Limited (BAL) (subsidiary of FTGIPL) and Bourse Africa Clear Limited (BACL) (subsidiary of BAL), the step-down subsidiaries of your Company are under liquidation.

During the year under review, your Company has entered into a Share Purchase Agreement (SPA) with NTT Data Corporation, Japan, for selling of its 28,69,14,688 equity shares of the face value of INR 1/- (Rupee one only) in ATOM Technologies Limited, for a total consideration of

USD 9.24 million. As per the Agreement(s), NTT Data has the right, during the period of 24 months starting from the date of closure of transaction, to acquire, directly or through affiliates, the balance 21,00,86,610 equity shares of ATOM held by your Company. The approval from Members has been obtained for the aforesaid transaction by way of postal ballot concluded on June 18, 2019, since ATOM became material subsidiary w.e.f. April 01, 2019. The transaction will be completed after all requisite approvals. NCLAT vide its order dated July 22, 2019 was pleased to allow 63 moons to sell its stake in Atom Technologies Limited.

The Policy for determining material subsidiaries as approved by the Board may be accessed on the Company's website at the link: www.63moons.com/investors/corporate-governance/policies/Material-subsidiary-policy.pdf

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The report on Corporate Governance as stipulated by Regulation 34(3) read with Schedule V of the Listing Regulations, 2015, is annexed hereto, and forms part of this Annual Report. A Certificate from the Auditors of the Company confirming compliance with Corporate Governance norms is annexed to the report on Corporate Governance.

BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Reporting as required under Regulation 34 of Listing Regulations is not applicable to your Company for the financial year ended March 31, 2019.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is available on Company's website at www.63moons.com/investors/corporate-governance/policies/Related-Party-Transactions-Policy.pdf The Policy is to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All arrangements / transactions entered by your Company with its related parties during the year were in ordinary course of business and on an arm's length basis. During the year, the Company has made investments in its subsidiary i.e. NSEL amounting to ₹ 1,477.13 lakhs in terms of shareholders' approval obtained on March 08, 2017. Except for the transaction with NSEL, the Company did not enter into any arrangement / transaction with related parties which could be considered material, in accordance with Companies Act and Listing Regulations. All transactions with related parties were reviewed and approved by the Audit Committee. Prior omnibus approvals are granted by the Audit Committee for related party transactions which are of repetitive nature, entered in the ordinary course of business and are on arm's length basis in accordance with the provisions of the Act read with the Rules issued thereunder and the Listing Regulations.

The details of the transactions with related parties are provided in the accompanying financial statements.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board.

The Company has identified the areas for CSR activities which are in accordance with Schedule VII of the Companies Act, 2013, some of which are Health and social welfare, Promotion of education, Environment sustainability, Employment enhancing vocational skills and Employee engagement activities. During the year, the Company has organized a social audit by an external agency to evaluate the effectiveness and impact of CSR projects undertaken by the Company and the result of the social audit was quite encouraging.

The Report on CSR activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out as **Annexure - II** and the same forms part of this report. The policy is available on the website of the company at the link: www.63moons.com/investors/corporate-governance/policies/CSR-policy.pdf

RISK MANAGEMENT

The Board of the Company has formed a Risk Management Committee to monitor the risk management policy for the Company.

The risk management system identifies and monitors risks which are related to the business and overall internal control systems of the Company. The Audit Committee has oversight responsibility in the areas of financial risks and controls. The risk management committee is responsible for reviewing the risk management policy and ensuring its effectiveness.

The Audit Committee and the Board has also noted the risk prevailing in respect of what is stated in the para relating to legal matters above effecting the business of the Company.

INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has internal financial control systems, which are commensurate with its size and the nature of its operations. The Internal control system is improved and modified on an on-going basis to meet the changes in business conditions, accounting and statutory requirements. Internal Audit plays a key role to ensure that all assets are safeguarded and protected and that the transactions are authorized, recorded and reported properly. The Internal Auditors independently evaluate the adequacy of internal controls. The findings and recommendations of the Internal Auditors are reviewed by the Audit Committee and followed up till implementation wherever feasible. Further, as per requirement of clause (i) of sub-section (3) of section 143 of the Companies Act, 2013 ('the Act'), the statutory auditors have reported on the internal financial controls and opined that the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, the Board of Directors at their meeting held on February 12, 2019, on the recommendation of the Nomination and Remuneration Committee (NRC) appointed Mr. Devender Singh Rawat (DIN: 02587354) as an Additional Director in terms of Section 161 and other applicable provisions, if any, of the Companies Act, 2013, to hold office upto the date of the forthcoming Annual General Meeting of the Company. Further Mr. Devender Singh Rawat was appointed as non-executive Director, liable to retire by rotation, which was approved by the Members through postal ballot concluded on June 18, 2019.

The Board of Directors at its meeting held on August 09, 2018, on the recommendation of the NRC, further extended the tenure of re-appointment of Mr. Rajendra Mehta by one more year commencing from November 21, 2018, which was approved by the shareholders at the AGM held on September 27, 2018. However, during the year, Mr. Rajendra Mehta, Whole-time Director (DIN: 00390504) ceased to be member of the Board w.e.f. November 29, 2018. Your Directors place on record their appreciation for the valuable advice and guidance provided by Mr. Rajendra Mehta, during his tenure with the Company.

In view of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 dated 9th May, 2018 which came into force with effect from 1st April, 2019, no listed entity can continue the directorship of any person as a non-executive director who has attained the age of 75 (seventy five) years unless a special resolution is passed to that effect. Accordingly, three Directors of the Company who had already attained the age of 75 years i.e. Mr. Venkat Chary (IAS, Retd) (DIN: 00273036), Chairman, Non-Executive and Independent Director, Justice (Retd.) Rajan J. Kochar (DIN: 06710558), Non-Executive & Independent Director, and Mr. Suresh Salvi (IAS, Retd) (DIN: 07636298), Non-Executive Director, were approved by Members by way of Special Resolution in compliance of Section 102 of the Act read with the amended Regulation 17 (1A) of the SEBI (LODR) Regulations 2015 to continuance as Directors of the Company after March 31, 2019 at the Annual General Meeting held September 27, 2018.

The Board of Directors of the Company at their meeting held on August 09, 2019, on the recommendation of the Nomination & Remuneration Committee and performance evaluation of the concerned Director, recommended for the approval of the Members at the ensuing Annual General Meeting, the re-appointment of Mr. Venkat Chary (IAS, Retd.) (DIN: 00273036), Justice Rajan J. Kochar (Retd.) (DIN: 06710558) and Mr. Achudanarayanan Nagarajan (IAS, Retd.) (DIN: 02107169) as Independent Directors of the Company for a second term of two years commencing from September 23, 2019, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 and applicable rules framed thereunder, and Regulation 17 of the Listing Regulations 2015.

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as provided in Section 149(6) of Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mr. Sunil Shah (DIN:02569359) and Mr. K. Chandrasekhar (DIN:06861358) Directors, retires by rotation at the forthcoming Annual General Meeting and, being eligible offers themselves for re-appointment. The Board recommend their re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

The other Directors continue to be on the Board of your Company.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company are –

1. Mr. S. Rajendran, Managing Director and Chief Executive Officer
2. Mr. Rajendra Mehta, Whole-time Director (upto November 29, 2018)

3. Mr. Devendra Agrawal, Whole-time Director and Chief Financial Officer
4. Mr. Hariraj Chouhan, Company Secretary.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, SEBI Listing Regulations and the Guidance Note on Board Evaluation issued by the SEBI on January 5, 2017, a process has been devised for evaluation of Board, Committees and Directors taking into consideration the various aspects of the Board's functioning, execution and performance of specific duties, obligations and governance. The performance of the Board, Chairman and Independent Directors was evaluated by the Board after seeking inputs from all the Directors. The criteria for performance evaluation of the Board included aspects such as Board composition and structure, effectiveness of Board processes, contribution in treasury and risk management, legal challenges faced by the Company, general corporate governance, strategic planning etc. The performance of the Committees was evaluated by the Board after seeking inputs from the committee members. The criteria for performance evaluation of the Committees included aspects such as composition of committees, effectiveness of committee meetings, etc.

In a separate meeting of Independent Directors, performance of Non-Independent Directors and performance of the Board as a whole and performance of the Chairman was evaluated, taking inputs from Executive Directors and Non-Executive Directors.

On review of Board as a whole, members expressed satisfaction on the diversity of experience, age group, and induction process of new members, and competency of directors. The members expressed appreciation on functioning of Audit committee, NRC, CSR, Stake holders, Risk Management and Investment Committee and expressed their satisfaction with the evaluation process.

MEETINGS OF THE BOARD

The Board of Directors of the Company met 7 (seven) times during the financial year. The details of Board Meetings are provided in the Corporate Governance Report, which forms part of this Annual Report.

AUDIT COMMITTEE

The Audit Committee comprises of 4 (Four) members, three are Independent Directors namely Mr. Venkat Chary, Justice (Retd.) R. J. Kochar, Mr. A. Nagarajan and one is Non-Executive Director namely Mr. K. Chandrasekhar. During the year, 5 (five) Audit Committee meetings were held and the details of which are provided in the Corporate Governance Report, which forms part of this Annual Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT BY COMPANY

Details of loans, guarantees and investments have been disclosed in the Financial Statements.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in **Annexure - III** and the same forms part of this Report.

EXTRACT OF ANNUAL RETURN

Extract of Annual return of the Company in form MGT-9 has been posted on the website of the Company at www.63moons.com/investors/shareholders/annual-reports.html

PARTICULAR OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures with respect to the remuneration of Directors, KMPs and employees as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in **Annexure - IV** to this Report.

Details of employee remuneration as required under provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available at the Registered Office of the Company during working hours, 21 days before the Annual General Meeting and shall be made available to any shareholder on written request. Such details are also available on your company's website at www.63moons.com/investors/shareholders/annual-reports.html. None of the employees listed in the said Annexure is a relative of any Director of the Company. None of the employees hold (by himself or alongwith his spouse and dependent children) more than two percent of the equity shares of the Company.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a whistle blower policy to report genuine concerns or grievances. The Whistle Blower Policy has been posted on the website of the Company at the link: www.63moons.com/investors/corporate-governance/policies/Whistle-Blower-Policy.pdf

NOMINATION AND REMUNERATION POLICY

The Board of Directors has framed a policy for selection and appointment of Directors including determining qualifications, independence of a Director, Key Managerial Personnel, Senior Management Personnel and their remuneration as part of its charter and other matters provided under Section 178 (3) of the Act. The details of the policy are provided in the Corporate Governance Report, which forms part of this Annual Report. The Nomination and Remuneration Policy has been placed on the website of the Company at the link: www.63moons.com/investors/corporate-governance/policies/Nomination-and-Remuneration-Policy.pdf

MAINTENANCE OF COST RECORDS

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has a policy on prevention, prohibition and redressal of complaints related to sexual harassment of women at the workplace. The said policy is available on the internal portal of the Company for information of all employees. During the FY 2018-19, the Company has not received any complaints on sexual harassment and hence no complaints remain pending as of March 31, 2019.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

Except as stated in the para relating to legal matters mentioned above, there are no other significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future. The details of litigation including tax matters are disclosed in the notes to the Financial Statements which forms part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

a. in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures, if any;

b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c. the Directors have taken proper and sufficient care to maintain adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. the Directors have prepared the annual accounts on a going concern basis.

e. the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and are operating effectively; and

f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

EMPLOYEES STOCK OPTION PLAN (ESOP)

The Nomination & Remuneration Committee of the Board of Directors of the Company, inter-alia, administers and monitors the Employees Stock Option Plan of the Company in accordance with the applicable SEBI Guidelines.

During the financial year 2011-12, Remuneration and Compensation Committee (renamed as NRC) had granted 900,000 Stock 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 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.

Since the options were granted at the market price of the equity shares on the date of grant, certain modifications were made during the FY 2012-13 and 2014-15, with respect to exercise price and exercise period.

During the tenure of the said schemes, none of the options were exercised by any of the eligible employees / Directors to whom options were granted as the market price was below the exercise price. As on 31st March 2019, the tenure of both the ESOP schemes (2009 & 2010) has expired and thus both the schemes stand closed.

SECRETARIAL STANDARDS

The Company is in compliance with applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

AUDITORS

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, M/s. Sharp & Tannan Associates, Chartered Accountants, Mumbai (Regn. No. 109983W) were appointed as the Statutory Auditors of the Company at the Annual General Meeting (AGM) held on September 23, 2014 for a period of five years on a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditors, subject to ratification of their appointment at every AGM. Since the period of their appointment is upto the ensuing AGM, the Board recommends for the consideration of the Members the re-appointment of M/s. Sharp & Tannan Associates, as Statutory Auditors, for a further period of five years. M/s. Sharp & Tannan Associates have confirmed their eligibility and qualification for continuing as Auditors of the Company.

DETAILS OF FRAUD, IF ANY REPORTED BY THE AUDITORS

There have been no instances of fraud reported by Auditors pursuant to Section 143(12) of the Companies Act, 2013.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Act, the Board has appointed M/s BNP & Associates, Practising Company Secretaries, to conduct Secretarial Audit for the financial year 2018-19. The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed herewith marked as **Annexure - V** and the same forms part of this report. The Secretarial Auditors' report does not contain any qualifications, reservations or adverse remarks.

ANNUAL SECRETARIAL COMPLIANCE REPORT

The Company has undertaken an audit for the financial year 2018-19 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars / Guidelines issued thereunder.

The Annual Secretarial Compliance Report has been submitted by your Company to the Stock Exchanges within 60 days from the end of the financial year.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Details relating to deposits covered under Chapter V of the Act.
- Issue of equity shares with differential voting rights as to dividend, voting or otherwise.
- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

HUMAN RESOURCES

63 moons believes in providing a great workplace where employees have freedom to ideate towards its core philosophy of entrepreneurship and innovation and at the same time enjoy their work. The Company remains committed to its employees and values each one's contribution in the collective growth. As of 31 March 2019, the company had employee strength of 837. Out of which Women make up 21% of the workforce.

The Company strongly believes and promotes transparent communication policy. In order to ensure this, the HR Dept. has an open door policy where employees can walk-in anytime and meet HR officials during office hours for any assistance. The Company has also enabled confidential email facility to address specific issues of the employees which are otherwise difficult to highlight. The HR dept. is conditioned to be always alert and available for any help sought by the employees.

All our systems and processes are fully automated to ensure that required information is available anytime. On the policies and processes, 63 moons is most compliant and employee friendly.

A number of employee beneficial programs (Insurance, health care etc.) have been initiated and also employee engagement initiatives conducted which makes 63 moons as one of the best companies to work. 63 moons believes in equality of all religions and hence celebrates all major festivals like Ganesh Chaturthi, Navratri, Diwali, Christmas, Holi and Eid with similar zeal. Apart from these festive celebrations, 63 moons also rejoice with yearly recurring functions for employees viz., Annual Day, (staff) Children's Day, Women's Day, International Yoga Day, Independence Day etc. In all such events, employees enthusiastically participate and showcase their, otherwise hidden,

talents. These initiatives not only act as catalyst for fun but also goes a step ahead towards ensuring all round inclusivity to conduct employee connect events for social causes like TATA Mumbai Marathon, Pinkathon (female marathon race) etc.

Company is equally concerned about holistic wellbeing of all employees. To ensure that they are always in the best of their mental and physical health, sessions on various forms of Yoga, TABATA – a high intensity interval training method, as well as Physio Talks (by renowned Sports and Fitness expert) were organized. It also promotes employees to actively participate in Indoor sports competition (JOSHLite) which was organized where employees wholeheartedly participated in different indoor / outdoor games.

We have round the year free health check-up camps for the employees (including sub-staff) where, through Doctor-on-Site, services of specialists like Physician, Gynecologist, Nutritionist, Psychiatrist, Dietician, Dentist, Medical Counselor can be availed. At periodic intervals, we also conduct camps on vital screening, eye check-up, hair and skin analysis etc. These initiatives have not only helped us to strengthen our connect with employees but have also brought in a sense of general wellbeing and happiness at our workplace.

63 moons continues to trust the ability and quality of its Human Resources and has already started working on the next phase of the Company's growth. The Company treats its employees as integral partners of the organisation's growth story.

As the organisation charts new horizons and revises its business strategy for growth in changing circumstances, the employees are adequately equipped with training and such other programmed so that they meet the challenges positively and with an attitude to achieve higher goals in their professional lives.

While the Company continues to hire talent from outside, it also ensures that there is a required investment done to scale up the internal talent by providing behavioral trainings along with domain expertise.

The trainings are on varied scales, like training on Excel, New ME - Break - Free Workshop on Self Awareness & Work -Life Balance, Sales training for Sales team, Velocity Reading Program which helped employee to learn the reading techniques along with the Outbound trainings programs.

As compared to the industry peers, the Company's attrition number is lower, while the focus is on retention of Top and Niche talent. Structured interventions like our grievance redressal process of Prevention of Sexual Harassment (POSH), Information Security Awareness (ISA) and Innovative Thinking for our employees help us to proactively identify and mitigate risks on human resources and any other organization processes.

Winning Awards and accolades at workplace are never possible without employees support and contribution; hence, 63 Moons would like to thank & congratulate each member for the honour as "Maharashtra Best Employer Brand Awards" at the "13th Employer Branding Awards", as well as "National Best Employer Brand Awards 2018" hosted by the World HRD Congress at Taj Lands End, Mumbai. With great pride, we share this award for our organization-wide best practices in Talent Management, Employee Engagement, Retention Strategies, promoting gender diversified workforce, attracting millennials.

ACKNOWLEDGEMENT

Your Directors place on record their gratitude to the Central Government, State Government, clients, vendors, financial institutions, bankers and business associates for their continued support and the trust reposed in the Company.

Your Directors also wish to place on record their appreciation for the continued support of investors, business associates and the contribution made by the employees at all levels.

For and on behalf of the Board of Directors

Venkat Chary	**S. Rajendran**
Chairman	Managing Director & CEO
DIN: 00273036	DIN: 02686150

Place : Mumbai
Date : August 09, 2019

ANNEXURE - I

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

Part "A": Subsidiaries

(₹ in lakhs)

Sr. No.	Name of the Subsidiary (includes step down subsidiaries) company		Date since when subsidiary was acquired	Reporting Currency	Exchange Rate as at March 31, 2019	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investment	Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed dividend	% of shareholding	Country
1	IBS Forex Limited (IBS)		01-03-05	INR	-	700.00	60.53	782.94	22.41	758.26	-	53.95	5.09	48.86	-	86.29%	India
2	Riskraft Consulting Limited (Riskraft)		28-11-05	INR	-	700.00	(621.84)	78.66	0.50	77.46	-	4.32	1.03	3.29	-	100.00%	India
3	atom Technologies Limited (atom)		13-10-05	INR	-	5,183.64	(4,543.58)	3,705.44	3,065.38	1.77	9,575.48	(627.64)	-	(627.64)	-	95.88%	India
4	Adyna Solutions Pvt. Ltd.	Subsidiary of atom	09-05-16	INR	-	1.00	(9.70)	-	8.70	-	-	(0.73)	-	(0.73)	-	100.00%	India
5	TickerPlant Limited (TickerPlant)		04-02-05	INR	-	5,237.82	(5,742.68)	1,041.64	1,546.50	-	2,058.23	(987.01)	-	(987.01)	-	100.00%	India
6	FT Knowledge Management Company Limited (FTKMCL)		07-09-07	INR	-	375.00	(296.48)	78.95	0.43	40.77	-	1.34	7.89	(6.55)	-	100.00%	India
7	National Spot Exchange Limited (NSEL)		30-09-05	INR	-	18,533.79	(16,003.13)	41,963.06	39,432.41	814.06	-	(882.32)	3.21	(885.53)	-	99.99%	India
8	Indian Bullion Market Association Limited (IBMA)	Subsidiary of NSEL	15-06-07	INR	-	1,453.89	(10,411.03)	2,638.69	11,595.82	0.46	6.17	(2,060.92)	-	(2,060.92)	-	60.88%	India
9	Westernghats Agro Growers Company Limited(WGAGL)	Subsidiary of NSEL	05-09-12	INR	-	5.00	(39.83)	1.40	36.24	-	-	(2.48)	-	(2.48)	-	84.00%	India
10	Farmer Agricultural Integrated Development Alliance Ltd. (FAIDA)	Subsidiary of NSEL	01-08-12	INR	-	10.00	(16.18)	0.11	6.29	-	-	(3.55)	-	(3.55)	-	100.00%	India
11	Global Payment Networks Limited (GPNL)		05-03-07	INR	-	100.00	55.69	156.53	0.84	154.96	-	9.48	(0.31)	9.79	-	100.00%	India

(₹ in lakhs)

Sr. No.	Name of the Subsidiary (includes step down subsidiaries) company		Date since when subsidiary was acquired	Reporting Currency	Exchange Rate as at March 31, 2019	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investment	Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed dividend	% of shareholding	Country
12	Credit Market Services Limited (CMSL)		23-05-08	INR	-	525.00	(540.13)	13.99	29.12	-	-	(1.58)	-	(1.58)	-	99.99%	India
13	Financial Technologies Communications Limited (FTCL)		13-03-07	INR	-	5.00	437.38	484.28	41.89	392.38	185.35	79.38	9.46	69.92	-	100.00%	India
14	FT Projects Limited. (FTPL)		18-05-10	INR	-	5.00	(11.52)	3,000.00	3,006.52	-	-	(0.89)	-	(0.89)	-	100.00%	India
15	Apian Finance & Investment Limited (Apian)		25-04-08	INR	-	431.44	327.63	1,283.10	524.03	648.59	52.93	3.48	17.24	(13.76)	-	100.00%	India
16	Financial Technologies Singapore Pte Limited (FTSPL)		15-04-09	USD	69.17	56,958.02	(39,137.11)	17,834.13	13.22	-	-	91.86	(2.44)	89.42	-	100.00%	Singapore
17	Knowledge Assets Pvt. Ltd. (KAPL)		29-03-07	USD	69.17	6.92	(93.91)	2.22	89.22	-	-	(8.69)	-	(8.69)	-	100.00%	Mauritius
18	ICX Platform (Pty) Limited (ICX)		07-04-08	ZAR	4.82	0.01	(198.89)	0.06	198.94	-	-	(40.57)	-	(40.57)	-	100.00%	South Africa
19	FT Group Investments Pvt. Ltd. (FTGIPL)		29-03-07	USD	69.17	85,813.92	(1,49,397.79)	380.43	63,964.30	-	-	(2,357.94)	-	(2,357.94)	-	100.00%	Mauritius
20	Financial Technologies Middle East DMCC (FTME)	Subsidiary of FTGIPL	01-08-05	AED	18.90	12,474.00	(14,422.54)	130.56	2,079.10	-	195.97	(152.80)	-	(152.80)	-	100.00%	U.A.E

Bourse Africa (Botswana) Limited (BABL) (subsidiary of FTGIPL), Bourse Africa Limited (BAL) (subsidiary of FTGIPL) and Bourse Africa Clear Limited (BACL) (subsidiary of BAL) are under liquidation.

Bahrain Financial Exchange BSC (c) (BFX) (Subsidiary of FTGIPL) (liquidated w.e.f 23 Oct,2018) & BFX Clearing & Depository Corporation BSC(c) (Subsidiary of BFX) (liquidated w.e.f 08 Aug,2018)

Note: Indian rupee equivalents of the figures in foreign currencies in the accounts of the subsidiary companies, are based on the exchange rates as on March 31, 2019.

For and on behalf of the Board of Directors

Venkat Chary
Chairman
DIN: 00273036

S. Rajendran
Managing Director & CEO
DIN: 02686150

Place : Mumbai
Date : August 09, 2019

ANNEXURE II

ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline if the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

   The Company has framed a CSR policy in compliance with the provisions of the Companies Act 2013 (ACT) as approved by the Board of Directors on October 11, 2014 which is available on the Company's website and the web link is given below:

   https://www.63moons.com/investors/corporate-governance/policies/csr-policy.pdf

   The Company has proposed to undertake activities relating to rural development / tribal development, promoting education, employment enhancing livelihood skills etc. and such other areas as may be decided by the CSR Committee and covered under the CSR Rules.

2. The composition of the CSR Committee:

   a) Mr. A. Nagarajan, Chairman (Independent Director)

   b) Mrs. Chitkala Zutshi, Member (Independent Director)

   c) Mr. S. Rajendran, Member (MD & CEO) (inducted w.e.f. 26/11/2018)

   d) Mr. Rajendra Mehta, Member (Whole-time Director) (upto 26/11/2018)

3. Average Net Profit of the company for the last three financial years is ₹ 2,264.94 lakhs (as per section 198 of the ACT)

4. Prescribed CSR expenditure (two percent of the amount as in item 3 above for FY 2018-19): ₹ 45.30 lakhs

5. Details of CSR spent during the financial year 2018-2019

   a) Amount carried forward (unspent during 2017-18) as on 01/04/2018 : ₹ 153.66 lakhs

   b) Prescribed CSR expenditure (two percent of the amount as in item 3 above for FY 2018-19) : ₹ 45.30 lakhs

   c) Grand Total available for 2018-19 : ₹ 198.96 lakhs

   d) Amount Spend during 2018-19 : ₹ 151.60 lakhs

   e) Amount unspent as on 31/03/2019 : ₹ 47.36 lakhs

   f) Manner in which the amount spent during the financial year ending March 2019 is detailed below

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local Area or (2) Specify the State and district where programs or project was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub Heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure up to the reporting period	Amount spent: Direct through implementing agency
1.	Establishing Mini Science Centers in government schools	Improving quality of education in schools	Sindhurdurg, Maharashtra	167.84 lakhs	129.65 lakhs	129.65 lakhs	STEM learning Pvt Ltd
2.	Teachers Training Programme	Improving quality of education in schools	Sindhurdurg, Maharashtra	1.00 lakhs	1.01 lakhs	1.01 lakhs	Enrich Talents

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local Area or (2) Specify the State and district where programs or project was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub Heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure up to the reporting period	Amount spent: Direct through implementing agency
3.	Third Party Assessment for the Students of ESDP	Skill development, Promotion of entrepreneurship skills and livelihood generation	Ahmedabad, Gujarat	8.49 lakhs	8.49 lakhs	8.49 lakhs	GIGEV
4.	Anand Niketan	Improving quality of education in schools	Rajkot, Gujarat	5.00 lakhs	5.00 lakhs	5.00 lakhs	Anand Niketan trust
5.	Third Party Assessment for the Students of STEM	Improving quality of education in schools	Sindhurdurg, Maharashtra	6.00 lakhs	2.90 lakhs	2.90 lakhs	Samabhavana
6.	Program Management Fee to the consultant (Upskills Management Pvt Ltd.) for facilitating the implementation and monitoring of the CSR programs for all the above mentioned 5 programs and other / misc expenses (Administrative costs) etc.			6.45 lakhs	4.55 lakhs	4.55 lakhs	Upskills Management Pvt. Ltd.
			TOTAL	**194.78 lakhs**	**151.60 lakhs**	**151.60 lakhs**	

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report.

   The entire funds available for CSR funding has been committed. Going forward, your Company is committed to actively and continually engage with the partner / NGO's to execute projects and programs and incur expenditure in accordance with Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

7. The Responsibility Statement of the Corporate Social Responsibility Committee of the Board of Directors of the company is given below:

   "The implementation and monitoring of CSR policy, is in compliance with the CSR objectives and policy of the company".

For and on behalf of the CSR Committee of Board of Directors

A. Nagarajan
Chairman of CSR Committee
DIN: 02107169

Chitkala Zutshi
Independent Director
DIN: 07684586

Place : Mumbai
Date : August 09, 2019

ANNEXURE III

Conservation of energy, technology absorption, foreign exchange earnings and outgo

[Pursuant to Clause (m) of sub-section 3 of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014]

(A) Conservation of energy

(i) The steps taken or impact on conservation of energy:

- LED lights are fitted at all the floors at Corporate Office to reduce lighting energy consumption for last Five years leading to considerable energy savings in lighting system.
- 73280 KWH of energy was saved in lighting due to LED fittings in last one year, (April 18 – March 19) resulting in net savings of ₹ 7.15 lakhs per annum.
- Two passenger lifts are being switched off on all Saturdays / Sundays leading to optimum utilisation of lifts and resultant conservation of energy.
- Air conditioning run time has been reduced by rescheduling the start / stop timing of air conditioning system from BMS system.
- Lights and Air conditioning in all cabins in the building are on sensor mode leading to savings in energy consumption.

(ii) The steps taken by the company for utilizing alternate sources of energy besides what is stated in (i):

Water Conservation Initiatives:

- The water supply to urinals and WCs are being controlled to minimal by using urinal sensors and controlled flush valves in WCs. Displayed water savings awareness posters in the Wash rooms and pantry to save water.
- The water treatment plant is being run to the minimum hours to save electrical energy.
- Water harvesting system has been operational through which the rain water is being used in water treatment plant.

Other Initiatives:

- Due to fitment of DGU glasses on façade and window glasses of the building, lot of heat load is reduced, resulting in savings in energy consumption of air-conditioning system.
- The lighting energy is being saved by installation of transparency type centre canopy on terrace top.
- Planned Preventive Maintenance of all electrical equipment's / systems are being done to save considerable electrical energy.
- Waste Segregation: Dry and wet garbage segregated as per BMC norms on daily basis.

(iii) The capital investment on energy conservation equipment's:

There was no new investment made on energy conservation during reporting period.

(B) Technology absorption

(i) Virtualisation & Cloud:

Microsoft Azure was selected as suitable for the modern business like 63moons, the flexible Azure cloud platform allows 63moons to build, deploy, and manage applications by leveraging the power of Microsoft's global network of datacentres. The flexibility helps us with both Platform as a Service (PaaS) and Infrastructure as a Service (IaaS) capabilities. We are easily integrated with existing IT environments which allows 63moons to leverage the power and scalability of a hybrid cloud ICT infrastructure. Now virtual machines can be deployed in minutes providing additional processing power and storage. Azure also allows us to host websites on a secure cloud server that is managed by Microsoft and backed by their uptime guarantee, providing companies and their customers with reliable web hosting services.

(ii) The efforts made towards technology absorption:

Network – Firewall Upgrade

The complexity of modern cyberattacks and advanced hacking methodologies are driving 63moons to look to next-generation firewalls for better security. New web-based malware and intrusion attempts bypass perimeter protections to exploit applications. Users are susceptible to malicious emails or phishing schemes, as these threats are concealed within the content itself, and are delivered over the network undetected.

Benefits:

Next-generation firewalls include integrated intrusion detection systems (IDS) and intrusion protection systems (IPS) that detect attacks based on traffic behavioural analysis, threat signatures or anomalous activity. This functionality helps us to perform deeper inspection and improve packet-content filtering of network traffic up to the application layer. Advance threat protection with the help of built-in malware protection and antivirus. Next generation firewall help us to improve user experience over network applications.

Initially traditional firewall just followed web protocols and weren't enough intelligent to distinguish different type of web traffic. Their inability to inspect data and identify legitimate business applications and attacks force them to either accept or reject all the traffic.

1. Advance threat protection
2. Improved network speed
3. Application awareness

(iii) The benefits derived like product improvement, cost reduction, product development or import substitution:

Office 365 Cloud Benefits:

1. Each user has 1 TB online storage
2. Each user has 100 GB online mailbox with unlimited archival space compare to 100 MB exchange mailbox.
3. Reduced on prem hardware infra, management, backup and datacentre cost by 60%.
4. More mobility – More productivity
5. Allows ICT to shift focus on other projects

(iv) Jira -Software development tools and performance testing hardware:

Keeping up with the times and to establish the link between requirement, issues, development, documentation and testing the following tools were implemented.

1. Service desk: Fully featured service desk with self-service, automation and SLA's.
2. Confluence: Create, collaborate, and keep all your work in one place. Unlike document and file-sharing tools, Confluence is open and accessible, helping the teams, and company do their best work together.
3. Bitbucket: More than just Git code management. Bitbucket gives teams one place to plan projects, collaborate on code, test, and deploy.
4. SourceTree: Simplifies interaction with Git repositories so focus stays on coding. Extremely helpful tool in Visualizing and managing repositories through SourceTree's simple Git GUI.
5. To increase the productivity of the performance testing team, additional hardware was essential. With the implementation of this new hardware, The productivity of the team increased by 40% and turnaround times by 70%.

(v) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

No Technology imported.

(vi) The expenditure incurred on Research and Development:

The aggregate amount of revenue expenditure incurred during the year on Research and Development as per allocation made by the management and shown in the respective heads of the account is ₹ 1,367.85 lakhs (Previous Year ₹ 1,122.99 lakhs). This has been relied upon by the auditors.

(C) Foreign exchange earnings and outgo

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

a) Expenditure in foreign currency (including foreign branches)

(₹ in lakhs)

Nature of Expenses	Current Year	Previous Year
Travelling expenses	3.02	12.54
Interest expenses on borrowings	365.54	695.37
IT Support Charges	19.15	-
Software license fees	46.56	59.35
Miscellaneous expenses	4.58	10.76
TOTAL	**438.85**	**778.02**

b) Earnings in foreign exchange (including foreign branches):

The company continues to endeavour to export its products and offerings. Details of earnings are given below:

(₹ in lakhs)

Nature of Expenses	Current Year	Previous Year
Income from software services (Project based)	140.60	160.84
Interest on loans to subsidiaries	5.04	4.65
TOTAL	**145.64**	**165.49**

For and on behalf of the Board of Directors

Venkat Chary
Chairman
DIN: 00273036

S. Rajendran
Managing Director & CEO
DIN: 02686150

Place : Mumbai
Date : August 09, 2019

ANNEXURE IV

Details of Ratio of Remuneration of Director [Section 197(12), r/w Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014]

1	The ratio of the remuneration of each directors' and KMP to the median remuneration of the employees of the company for the financial year ended 31st March 2019	**Name of the Director(s) and Key Managerial Personnel**	**Designation**	**Ratio to Median remuneration of employees**	**% Increase / (Decrease) in remuneration@**
		S. Rajendran	MD & CEO (KMP)	25.55	0%
		Devendra Agrawal	Whole-time Director & CFO (KMP)	10.60	0%
		Hariraj Chouhan	CS (KMP)	5.78	0%
	@Pursuant to the Hon'ble Bombay High Court Order dated 30.09.2015, in the Notice of Motion no. 1490/2015, in suit No. 121 of 2014, - L. J. Tanna Shares & Securities Pvt. Ltd. And Ors., Vs. 63 moons technologies limited [earlier Financial Technologies (India) Ltd.], the Company has not paid any remuneration at the increased rate to its Managing Director / Whole-time Directors / KMPs / Senior employees and no increments has been given, pending hearing and final disposal of the aforesaid Notice of Motion.				
	Note: • Mr. Rajendra Mehta was Whole-time Director for the part of the year and hence ratio to median remuneration of employees is not comparable. • The Non-Executive Directors of the Company are entitled for sitting fees / commission as per the statutory provisions and within the limits approved by the Members. The details of remuneration of Non-Executive Directors are provided in the Corporate Governance Report and is governed by the Remuneration Policy, as detailed in the said report. The ratio of remuneration and percentage increase for Non-Executive Directors Remuneration is therefore not considered for the purpose above. • Sitting fees and Commission paid to Non-Executive Directors and Independent Directors are mentioned elsewhere in Annual Report.				
2	The percentage increase in the median remuneration of employees in the financial year	The percentage increase in the median remuneration during the financial year is 6.62%. This has been arrived at, by comparing the median remuneration of the cost-to-the company as on March 31, 2018, and the median remuneration of the cost-to-the Company as on March 31, 2019			
3	The number of permanent employees on the rolls of Company	The total number of employees as on March 31, 2019 was 837.			
4	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average % increase for eligible employees was 10%. The increase in remuneration was in accordance with the Nomination & Remuneration Policy. The Executive Directors remuneration for the FY 2018-19 has been computed in terms of Schedule V of the Companies Act, 2013. KMP's increase / decrease, if any, in remuneration has been reflected in para 1 above.			
5	Affirmation that the remuneration is as per the remuneration policy of the company	Yes. The remuneration is as per the Remuneration Policy of the company.			

For and on behalf of the Board of Directors

Venkat Chary
Chairman
DIN: 00273036

S. Rajendran
Managing Director & CEO
DIN: 02686150

Place : Mumbai
Date : August 09, 2019

ANNEXURE V

SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st March 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

63 Moons Technologies Limited
Shakti Tower 1, 7th Floor,
Premises E, 766, Anna Salai, Thousand Lights
Chennai 600002.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **63 Moons Technologies Limited** (hereinafter called the 'Company') for the audit period covering the financial year ended on 31st March 2019 (the 'Audit period'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2019 according to the provisions of:

i. The Companies Act, 2013 ('the Act') and the Rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the Rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of External Commercial Borrowings, Foreign Direct Investment and Overseas Direct Investments.

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

   d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and

   e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

vi. The following Specific Act was applicable to the Company;

   (a) The Information Technology Act, 2000.

We have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India related to Board Meetings and General Meetings.

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations and Standards as mentioned above.

During the period under review, provisions of the following Act / Regulations were not applicable to the Company:

a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
b. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
c. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
d. The Securities and Exchange Board of India (Buyback of Securities) Regulation, 2018.

We further report that –

Notice was received by the Company from the Stock Exchanges (BSE & NSE) for non- compliance of Regulation 18(1) of SEBI (LODR) Regulations, 2015 with respect to Composition of Audit Committee, as the Composition of 5 members was not in accordance of Guidance Note of the Exchanges for rounding off to the highest fraction. Fine was levied on the Company by both the Exchanges. Based on the representation and replies given by the Company to Exchanges, both BSE & NSE withdrew their notices and no fine was levied. The Company, in the meantime reconstituted the Audit Committee with 4 Directors to comply with guidance note issued by the Exchanges with respect to SEBI Circular dated 3rd May, 2018, which provide for rounding off the fraction to the highest number while determining the compliance.

Adequate notice is given to all Directors to schedule the Board Meetings in compliance with the provisions of Section 173(3) of the Companies Act, 2013, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.

We further report that –

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there was no specific event / action having a major bearing on the Company's affairs pursuance of above referred laws, rules, regulations, guidelines, standards, etc. as referred above except for the following:

1. Company has executed a Share Purchase Agreement (SPA) with NTT Data Corporation, Japan, for sale of its 55.35% stake in ATOM, a subsidiary of the Company for an aggregate consideration of USD 9.24 million.
2. The operations of Karvy Computershare Private Limited, the Share Transfer Agents of the Company were transferred to Karvy Fintech Private Limited (Karvy Fintech) w.e.f 17th November, 2018.
3. La-fin Financial Services Private Limited (La-fin) holds 26.76% stake in Company (63 Moons). These shares are under attachment and Insolvency proceedings under Insolvency and Bankruptcy Code 2016 have also been initiated by IL&FS Financial Services Limited against La-fin. At present, the Corporate Insolvency process has been stayed pursuant to the order passed by Honourable Bombay High Court.

For BNP & Associates
Company Secretaries
[Firm Regn No. P2014MH037400]

B Narasimhan
Partner
FCS No. 1303
COP No. 10440
PR No. 544/2017

Place : Mumbai
Date : 18th July, 2019

Annexure I to the Secretarial Audit Report for the financial year ended 31st March 2019

To,
The Members
63 Moons Technologies Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to **63 Moons Technologies Limited** (the 'Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.

2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.

3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on test check basis to ensure that correct facts as reflected in secretarial and other records produced to us. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.

4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

5. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For BNP & Associates
Company Secretaries
[Firm Regn No. P2014MH037400]

B Narasimhan
Partner
FCS No. 1303
COP No. 10440
PR No. 544/2017

Place : Mumbai
Date : 18th July, 2019

MANAGEMENT DISCUSSION & ANALYSIS

MANAGEMENT DISCUSSION & ANALYSIS

OVERVIEW

Though your Company has been strangulated in a maze of legal battles, its fighting spirit has remained unscathed. For over six years now, it has been fighting battles for the victory of truth and justice on one hand and, for the rights of its stakeholders, on the other. Your Company, indeed, feels vindicated by the recent ruling of the Hon'ble Supreme Court that set aside the forced merger order to amalgamate your Company with one of its subsidiaries, the National Spot Exchange Limited (NSEL).

In the light of this historic judgment, your Company's belief in the judiciary has been reinforced and it feels invigorated to fight for rule of law in the other legal hurdles as well, strongly believing that that truth shall ultimately prevail!

The economic scenario of the year bygone sets the tone for better future prospects especially when the country has a firm and stable government at the Centre in to carry forward reforms, initiatives and programmes that are key to catapult the country into a $ 5 trillion economy by 2024.

GLOBAL ECONOMIC REVIEW

The financial year 2018-19 was filled with mixed outcomes owing to numerous events that impacted the economic activities worldwide. Amidst challenges, the global economy grew at 3.6% in 2018 as against 3.8% growth recorded during 2017, as per Economic Survey 2018-19.

Among the advanced economies, the US economy grew at 2.9% in 2018 (as compared to 2.2% in 2017) just a tad lower than the expected and desired rate of growth of 3% by the US President, as stated in a report of National Public Radio Inc. This rate of growth, as a Washington Post report says, has been realised on the back of the finest pace of activities in the economy owing to monetary stimulus package of the government and the tax cuts to the tune of $1.5 trillion.

The European Union (EU), too, has been witnessing soft domestic demand and a lull in manufacturing activity. According to the International Monetary Fund, the economic performance of UK's economy, dragged a little due to uncertainties surrounding the Brexit issue owing to which it posted lower growth of 1.4% in 2018 as against growth of 1.8% in 2017. The Brexit issue is likely to prolong further consequently shadowing the pace of economic activities in coming times.

Both, the Organisation for Economic Cooperation & Development (OECD) and the IMF unequivocally state that the Chinese economy, the largest among the emerging markets and developing economies (EMDEs), witnessed growth of 6.6% in 2018 which was a shade lower compared to 6.8% recorded in 2017 because of subdued domestic as well as external demand that led to lower industrial activity. Further, the economy looks at grim scenario in current times due to rising international trade tensions taking heavy toll on the economic activities.

Of late, the heightened tensions in international trade due to economic sanctions, raising of high tariffs and trade barriers along with restrictions on technological transfers with China by the US government portends uncertain future. As such these de-globalisation moves have already had ill impact on the subject economies, and spill-over effect of the same on the world trade thereby burgeoning the pressure on the financial markets world-over.

In the light of the above factors, many central banks across the world have changed their monetary policy stance to accommodate the expansionary moves of the governments. The US Federal Reserve is reportedly exploring options for policy rate cuts between 25 basis points (bps) to 50 bps. The European Central Bank (ECB), following the footsteps of the US Fed, announced postponement of hikes in interest rates in March 2019, till the end of 2019. These sudden changes in the direction of monetary policies of the US Fed and ECB makes the economic outlook a little more uncertain as well as uncanny in nature in the near term.

Going forward, apart from the looming threat of trade tensions, exacerbated by the continued crude oil production cuts by OPEC, Russia and disruptions in crude oil supplies from Venezuela and Iran due to US sanctions, the crude oil prices are likely to rise further, which is likely to impact the overall economic activities globally.

INDIAN ECONOMIC REVIEW

Turning to the domestic economy, the Economic Survey of 2018-19 reveals that despite a moderation in GDP growth at 6.8% for 2018-19 as against 7.2% growth of 2017-18, the Indian economy continues to hold the tag of the fastest growing economy in the world with fair macroeconomic stability. The monetary authorities are satisfied managing the consumer price inflation within the reasonable range. Nevertheless, downward revision of estimated GDP growth to 6.8% from earlier projected 7.0% growth suggests slowdown creeping in. It is widely believed that the slowdown seen during Q4 of 2018-19 was due to deceleration seen in private final consumption, which is attributed to low farm incomes in rural areas as well as the financial stress arising from non-banking financial company (NBFC) sector crisis affecting home and vehicle finances.

Keeping in mind, the quiet entry of sluggishness into the economy, the RBI's Monetary Policy Committee has decided to change the stance of monetary policy from calibrated tightening to neutral, and thereby implementing 25 basis points cut in the policy repo rate thrice since February 2019 and subsequently, in April 2019 and in June 2019 taking the policy rate to 5.75%.

However, the latest SBI EcoWrap report does say that the Indian economy has improved outlook based on the annual investment as seen particularly in the new investment projects wherein the share of private sector has increased to 66% in 2018-19 from 44% recorded in 2014-15.

Also, global confidence on the Indian economy has apparently improved during the year under review if one goes by the indicators such as gross Foreign Direct Investment (FDI) inflows in services sector that rose by 36.5% year-on-year to rise to $9.15 billion in 2018-19 as compared to FDI of $6.7 billion India attracted during 2017-18. This healthy increase in FDI could be attributed to government's several measures like fixing timelines for approvals and streamlining procedures that led to improvement in Ease of Doing Business ranking. The World Bank's Report on Ease of Doing Business Ranking, 2019, showed India's ranking improving to 23 points to 77th rank in 2018.

Government's various initiatives have been witnessing healthy outcomes, among others the reforms in tax administration machinery has led to increase in effective taxpayer base that grew by 13.5% during assessment year 2018-19, which is the highest rate in the last six years. The increase in taxpayer base also portends that the brisk economic activities are adding more money in the hands of the common man.

Meanwhile, the government has continued, through its budgetary measures, to emphasize on flagship projects to pump-prime the economy with a vision to turn it into a $5 trillion by 2024. The government has already embarked upon mega ventures such as the one where the Cabinet Committee on Economic Affairs (CCEA) has approved launching of Pradhan Mantri Gram Sadak Yojana – III at an estimated cost of ₹ 80,250 crore for consolidating routes of 125,000 km road thereby linking major rural areas through connecting habitations to Gramin Agricultural Markets, Higher Secondary Schools and Hospitals. These and such other moves will ensure gainful employment opportunities across the length and breadth of the country thereby propelling growth.

Besides, the budgetary measures proposed to borrow sovereign bonds internationally has met with mixed reactions. On one hand, it is viewed that this move would relieve the burden of mobilising funds in the domestic debt market which looks to be in tatters due to the ongoing financial crisis in the NBFC segment and, also keep the funds available for private sector investment. On the other hand, there is a word of caution for the government as the currency risk would be significant, infusing fresh rupee into the system by the RBI as well as uncontrollable cost of hedging and borrowing for revenue gap may result in passing in foreign currency burden to future generations.

ECONOMIC OUTLOOK

The Indian economy presents a mixed picture as certain pockets hold key to healthy growth while in others the growth impulses are seen to be weakening significantly owing to moderation in private consumption and investments. Some economists have projected cloudy economic landscape in near to short term period owing to further flaring up on trade tensions on the global horizon, disruptions in crude oil supplies leading to flaring price spiral and the stress experienced in the financial markets due to crisis in the NBFC segment.

The Government of India has already unveiled ambitious initiatives such as Digital India 2.0 connecting India by freeing up additional spectrum for Wi-Fi operations which will bolster growth of digital services. This, along with a plan to roll out one million interoperable Wi-Fi hotspots by 2020 in the areas of low tele-network coverage, will finally put India at par with global standards in terms of public internet access. These initiatives will prop up opportunities for companies providing services in digital arena and by this means would spur the digital revolution for inclusive growth.

Alongside the government's ambitious plans, your Company, with a dynamic technology and human capital at its disposal, is all set to contribute to fulfilling the vision of Digital India by way of its innovative tech products and solutions as part of our path-breaking journey towards creating value for each of our stakeholders.

NEW VISION–MANAGEMENT DISCUSSION & ANALYSIS

Your Company commands leadership position in providing next-gen technology solutions and platforms for financial markets for enabling seamless transactions across multi-assets class markets and hence looks forward to better times ahead in visualizing the dream of **Digital India 2.0.**

It goes without saying that your Company, with its rich talent pool and technological innovations, is adequately equipped to partner with various government initiatives like Start Up India, Skill India and of course, Make in India. Incidentally, your Company has been a spectacular and standing testimony of all these nation-building initiatives ever since its inception.

Your Company has immense faith in these ambitious governmental initiatives and hopes that they will streamline procedures, expedite new ventures and start-ups, generate large-scale employment, and usher in an era of unparalleled growth and prosperity for the country.

FINANCIAL POSITION AND RESULT OF OPERATIONS

Overview

The financial statements of the Company, including consolidated financial statements, have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the 2013 Act") read with the Companies (Indian Accounting Standards) Rules, 2015, subsequent amendments thereto and the relevant provisions of the 2013 Act, as applicable.

The discussion on financial performance in the Management Discussion and Analysis relate to the standalone financial statement of the Company.

Equity Share Capital

Your Company's authorised share capital is ₹ 3000 lakhs, divided into 1500 lakhs equity shares of ₹ 2 each. The paid up share capital of your company stood at ₹ 921.57 lakhs. During the year, there was no change in the paid-up share capital of your Company.

Other Equity

Your Company's other equity amounted to ₹ 284,667.73 lakhs as on March 31, 2019 as against ₹ 285,654.17 lakhs as on March 31, 2018.

During the year, there was no change in Securities premium account which stood at ₹ 41,746.62 lakhs as on March 31, 2019.

General reserve as at March 31, 2019 amounted to ₹ 32,579.86 lakhs as against ₹ 32,419.97 lakhs as at March 31, 2018, increased on account of transfer during the year from Share Options Outstanding Account as per requirements of accounting standards.

Total Equity

Total equity stood at ₹ 285,589.30 lakhs as on March 31, 2019 as against ₹ 286,575.74 lakhs as on March 31, 2018.

Borrowings

During the year, the company has repaid balance outstanding external commercial borrowing (ECB) of USD 15.55 million equivalent of ₹ 11,158.85 lakhs and as at March 31, 2019 the Company is debt-free.

Deferred Tax assets and liability

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. At the year end, your Company has reported accrual of total net deferred tax asset of ₹ 128.34 lakhs compared to ₹ 261.81 lakhs at the end of previous year.

Trade payable

At the end of the year, trade payables stood at ₹ 623.50 lakhs as compared to ₹ 551.56 lakhs at the end of previous year.

Other financial liabilities

Other financial liabilities at the end of the year amounted to ₹ 5,937.01 lakhs as against of ₹ 4,904.38 lakhs at the end of previous year. It mainly includes ₹ 4,147.07 lakhs towards unpaid dividend, which has not been paid pursuant to the Hon'ble Bombay High Court's ad interim order dated September 30, 2015 inter alia restraining the Company from distributing any dividend or depositing the same in the dividend distribution account in accordance with the provisions of the Companies Act, 1956 (to be read as Companies Act, 2013) pending the final hearing and disposal of the Notice of Motion. The matter is pending for hearing.

Current tax assets and liabilities

Current tax assets at the end of the year amounted to ₹ 1,272.56 lakhs as against ₹ 374.16 lakhs at the end of previous year.

Other liabilities (current and non current)

Other liabilities at the end of the year amounted to ₹ 1,452.77 lakhs as against of ₹ 3,380.39 lakhs at the end of previous year. It mainly includes income received in advance / unearned revenue, statutory liabilities and other contractual obligations.

Provisions (current and non-current)

Total provisions as at the end of the year amounted to ₹ 869.22 lakhs as against of ₹ 814.50 lakhs at the end of the previous year. It includes provision for employee benefits viz. provision for compensated absences and gratuity.

Property, plant and equipment, investment properties and other intangible assets

The carrying value of property, plant and equipment, investment properties and other intangible assets is shown in the table below:

(₹ in lakhs)

As on March 31,	2019	2018
A. Property, plant and equipment		
Freehold Land	4,666.60	4,666.60
Buildings	15,381.45	15,631.43
Office Equipments	1,241.70	1,323.39
Computer Hardware	836.10	817.72
Furniture and Fixtures	1,191.42	1,585.37
Vehicles	242.90	326.61
Total (A)	**23,560.17**	**24,351.12**
B. Investment Property	11,079.03	10,481.87
C. Capital work-in-progress	-	346.03
D. Other Intangible assets including Software, Technical know-how etc.	464.65	158.76
Total (A+B+C+D)	**35,103.85**	**35,337.78**

Financial Investments (current + non-current)

The total financial investments (net of provision) as at March 31, 2019 were at ₹ 119,421.29 lakhs as compared to ₹ 171,035.54 lakhs as at March 31, 2018. The investments mainly comprised of investment in bonds, mutual funds and investments in subsidiaries. The reduction as compared to previous year was mainly on account of premature redemption of bonds by certain banks on account of those banks being placed under Prompt Corrective Action (PCA) by Reserve Bank of India and maturity of certain bonds, proceeds of which has been invested in bank fixed deposits. Please refer note no. 52 of Standalone Financial Statements regarding the Company's investment in Non-Convertible Debentures of IL&FS Transportation Networks Ltd.

Trade receivables

As at the end of year, trade receivables (net of provision) were at ₹ 2,628.30 lakhs as compared to ₹ 2,064.07 lakhs at the end of the previous year

Cash & cash equivalents (including other bank balance)

At the end of the year cash & cash equivalent (including other bank balance) stood at ₹ 97,569.16 lakhs as compared to ₹ 56,711.59 lakhs at the end of the previous year. Increase is primarily due to amounts placed in fixed deposits out of proceeds of premature redemption / maturity of several bonds.

Financial Assets: loans (current and non-current)

At the end of the year, Loans and advances (current + non-current) (net of provision) amounted to ₹ 563.12 lakhs as against ₹ 569.59 lakhs at the end of previous year.

Other financial assets (current and non-current)

At the end of the year, other financial assets stood at ₹ 16,827.46 lakhs as against ₹ 19,854.06 lakhs at the end of the previous year. It mainly includes deposit kept with the Hon'ble Bombay High Court, interest accrued on bonds / fixed deposits and other bank balances.

Other assets (current and non-current)

At the end of the year, other assets amounted to ₹ 20,957.72 lakhs as against ₹ 20,132.33 lakhs at the end of the previous year. It includes MAT credit entitlement of ₹ 8,950.29 lakhs at the end of the year as against ₹ 9,115.62 lakhs at the end of the previous year.

Revenue Analysis

During the year, revenue from operations stood at ₹ 14,719.07 lakhs compared to ₹ 22,671.54 lakhs in the previous year. During the previous year, the Company had granted perpetual, irrevocable, non-transferable and non-assignable license of the application software PowerARMS™ DAM, Power ARMS™ TAM & REC, Back Office and SLDC software along with source code to Indian Energy Exchange (IEX) and the Company has recognized revenue of ₹ 1,080.00 lakhs in current year and ₹ 9,720.00 lakhs in previous year as per the terms of the agreement.

Other Income

During the year, other income stood at ₹ 16,007.63 lakhs as compared to ₹ 20,167.08 lakhs in the previous year. The reduction was mainly on account of premature redemption / maturity of high interest yielding bonds, proceeds of which could not be invested in similar interest carrying investments. Other Income mainly includes interest from bonds, interest on bank deposits / investments, gain / (loss) on fair valuation of financial assets, profit on sale of investments (other than those disclosed separately under exceptional items), rental income etc.

Expense Review

During the year, employee benefits expenses were at ₹ 10,519.34 lakhs as compared to ₹ 10,054.03 lakhs in the previous year.

Finance cost was decreased to ₹ 410.17 lakhs during the current year as compared to ₹ 722.55 lakhs during the previous year as the remaining ECB loan i.e. USD 15.55 mn was repaid during the year. Other expenses during the year were ₹ 15,862.42 lakhs as compared to ₹ 14,714.79 lakhs in the previous year.

Total expenses during the year was ₹ 28,603.82 lakhs as compared to ₹ 27,707.67 lakhs in the previous year.

Exceptional Items

During the year, exceptional items stood at loss of ₹ 1,027.13 lakhs compared to ₹ 8,157.58 lakhs in previous year. The exceptional items during the year includes (a) Allowance for credit loss on loans to subsidiaries made earlier written back ₹ 450 lakhs (b) allowance for expected credit loss in the value of investments in subsidiaries were ₹ 1,477.13 lakhs compared to previous year of ₹ 6,311.66 lakhs.

Profit / (Loss)

Your Company has reported net profit during the year.

- Profit before finance cost, depreciation, exceptional items and tax was ₹ 4,345.04 lakhs, compared to profit of ₹ 18,069.80 lakhs in the previous year.
- Profit before tax and exceptional items was ₹ 2,122.98 lakhs, compared to profit of ₹ 15,130.95 lakhs in the previous year.
- Profit before tax was ₹ 1,095.85 lakhs, compared to ₹ 6,973.37 lakhs in the previous year.
- Net profit after tax was ₹ 9.26 lakhs, compared to ₹ 1,637.76 lakhs in the previous year.
- Other Comprehensive Income (Loss), net of tax, for the year was (₹ 24.65 lakhs) as compared to ₹ 1,501.59 lakhs in the previous year.
- Total comprehensive Income (Loss) for the year was (₹ 15.39 lakhs) as compared to ₹ 3,139.35 lakhs in the previous year.

CAUTIONARY STATEMENTS

This report may contain forward-looking statements about 63 moons technologies ltd (formerly 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.

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

REPORT ON CORPORATE GOVERNANCE

In accordance with Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations') the detailed report on Corporate Governance of 63 moons technologies limited for the Financial Year 2018-19 is set out hereunder:

1. COMPANY'S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE

Your Company's corporate governance is based on a philosophy of trusteeship, transparency, empowerment, accountability, consistency and ethical corporate behaviour.

Your Company adheres to the corporate practices as per the applicable Listing Regulations and also constantly strives to adopt globally emerging best practices.

The Company's governance framework is based on the following principles:

- Well informed and Independent Board to ensure highest standards of corporate governance;
- Systems and processes in place for Internal control;
- Board overseeing function of Company's Management and thus protects long term interests of stakeholders;
- Timely disclosure of requisite material, operational and financial information to the stakeholders.

The Company is in compliance with the applicable provisions of the Listing Regulations.

Governance Structure

The Corporate Governance structure at 63 moons technologies limited is as follows:

a) **Board of Directors:** The Board provides leadership, guidance, objective and an independent view to the Company's management to have long-term vision to improve the quality of governance and ensuring that the management complies with ethics, transparency and disclosure requirements. The Company has an established framework for the meetings of the Board and Board Committees. The Board periodically reviews related party transactions, risk mitigation measures, presentations from MD & CEO, Business heads, CFO and Company Secretary.

b) **Committees of the Board:** Board Committees are the pillar of corporate governance. In this background various committees, statutory as well as non-statutory, are formed, for improving Board effectiveness and efficiency where more focused, specialized and technically oriented discussions are required. Committees enable better management of the Board's time and allow in-depth scrutiny and focused attention. The Board has constituted the following mandatory committees viz., Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility (CSR) Committee and Stakeholders Relationship Committee apart from non-mandatory committees mentioned elsewhere in this report. Each of the Committees has been mandated to operate within a given framework.

Governance Policies

The Company has adopted various codes and policies to carry out the duties in an ethical manner and to ensure transparency in dealing with all stakeholders. Some of the codes and policies are:

- Code of Conduct for Board and Senior Management
- Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
- Vigil Mechanism and Whistle Blower Policy
- Corporate Social Responsibility Policy

- Policy for determining Material Subsidiaries
- Policy on Related Party Transactions
- Policy for determination of materiality of event or information
- Archival Policy
- Succession Policy

2. BOARD OF DIRECTORS (BOARD)

2.1 Composition and Category of Board of Directors

The Board comprises an optimum combination of Executive and Non-Executive (Independent and Non-Independent) Directors with a good mix of age, experience & background which enables the Board to discharge its responsibilities and provide effective entrepreneurial leadership to the business. As on 31st March 2019, the Board consisted of eleven (11) professionally competent members comprising one Managing Director, one Whole-time Director, five Independent and four Non-Independent Non-Executive Directors. The Composition of the Board is in conformity with Section 149 of the Companies Act, 2013 and Regulation 17 of the Listing Regulations. The position of the Chairman and Chief Executive Officer is held by separate individuals, where the Chairman of the Board is Independent, Non-Executive Director. None of the Directors of your Company are inter-se related to each other. The composition of the Board as on date is as per the table given below:

Name of Director	Director Identification Number (DIN)	Designation	Category	Shareholding in the Company as of 31st March, 2019 (No. of shares)
Mr. Venkat Chary	00273036	Non-Executive Chairman	Independent, Non-Executive Director	Nil
Justice R. J. Kochar (Retd.)	06710558	Director	Independent, Non-Executive Director	Nil
Mr. A. Nagarajan	02107169	Director	Independent, Non-Executive Director	Nil
Justice Deepak Verma (Retd.)	07489985	Director	Independent, Non-Executive Director	Nil
Mrs. Chitkala Zutshi	07684586	Director	Independent, Non-Executive Director	Nil
Mr. Suresh Salvi	07636298	Director	Non-Independent, Non-Executive Director	Nil
Mr. Kanekal Chandrasekhar	06861358	Director	Non-Independent, Non-Executive Director	Nil
Mr. Sunil Shah	02569359	Director	Non-Independent, Non-Executive Director	Nil
Mr. Devender Singh Rawat[1]	02587354	Director	Non-Independent, Non-Executive Director	Nil

Name of Director	Director Identification Number (DIN)	Designation	Category	Shareholding in the Company as of 31st March, 2019 (No. of shares)
Mr. S. Rajendran	02686150	Managing Director & CEO	Executive Director	Nil
Mr. Rajendra Mehta[2]	00390504	Whole-time Director	Executive Director	Nil
Mr. Devendra Agrawal	03579332	Whole-time Director & CFO	Executive Director	200

[1]Appointed as Additional Director w.e.f. 12/02/2019 and as Director w.e.f. 18/06/2019
[2]Ceased w.e.f. 29/11/2018

2.2 Independent Directors

Independent Directors bring objective view and valuable outside perspective to the Board deliberations. They act as the guardians of the interest of all stakeholders, especially in the areas of potential conflict of interest. The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence laid down under the Companies Act, 2013 and the Listing Regulations. The Board of Directors, based on the declaration(s) received from the Independent Directors, have verified the veracity of such disclosures and confirm that the Independent Directors fulfill the conditions of independence specified in the Listing Regulations and are independent of the management of the Company.

A formal letter of appointment stating the terms and conditions of appointment of Independent Director as required under the Companies Act, 2013 and the Listing Regulations is posted on the website of the Company (Weblink: www.63moons.com/investors/corporate-governance/policies/terms-and-conditions-of-appointment-of-Independent-Director.pdf)

2.3 Skills, Expertise and Competencies of Directors

Considering, the present state of affairs of the Company mainly revolving around treasury management, existing business operation, follow up on numerous legal cases, general corporate governance, support of administration etc, the Board note the identification of the following core skills / expertise / competencies amongst its members for the Board to function effectively:

- Legal and Regulatory compliance;
- Treasury management, banking & investments;
- Corporate Governance;
- Functional and managerial experience, knowledge and skills in accounting, finance and audit, general management practices, crisis response and management, human resources, risk management, senior level government experience and academic background;
- Proficiency in Information Technology, data analytics, digital platform, knowledge of technology trend and emerging areas of technology development etc.;
- Diversity of thought, experience, knowledge, perspective, gender and culture.

2.4 Board Meetings

Decisions relating to business strategies, legal issues, risks, policies and operations of the Company are arrived at the meetings of the Board held periodically. The notice and detailed agenda along with relevant notes and other material information are provided to the Directors in a timely manner to enable them to prepare for the Board Meeting. However, in case of Business exigencies, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which is duly noted in the subsequent Board meeting.

2.4.1 Number of Board Meetings held and the dates thereof

The Board of Directors met seven (7) times during the year. The dates of meetings being 18th April 2018, 21st May 2018, 9th August 2018, 25th October 2018, 26th November 2018, 12th February 2019, 27th March 2019.

Necessary quorum was present in all the meetings.

The maximum time gap between any two meetings was not more than One Hundred and Twenty days, as stipulated under section 173(1) of the Act and Regulation 17(2) of the Listing Regulations and the Secretarial Standards by the Institute of Company Secretaries of India.

2.4.2 Attendance at the Board Meetings and the last Annual General Meeting

The table mentioned below gives the attendance record of Directors at the Board Meetings held during FY 2018-19 as well as the last Annual General Meeting, which was held on 27th September 2018. It also gives details of the number of other Directorships and Chairmanship / Membership of Committees, such Directors hold in various public companies, as on 31st March 2019.

Name of Director	No. of Board Meetings held during respective tenure of Director	Attendance Particulars		No. of other Directorships and Committee Membership / Chairmanship		
					Committee	
		Board Meetings	Last AGM	Directorship of other Indian Public Companies	Membership	Chairmanship
Mr. Venkat Chary	7	6	Yes	-	-	-
Justice R. J. Kochar (Retd.)	7	7	No	-	-	-
Mr. A. Nagarajan	7	7	Yes	-	-	-
Justice Deepak Verma (Retd.)	7	2	No	-	-	-
Mrs. Chitkala Zutshi	7	7	Yes	-	-	-
Mr. Suresh Salvi	7	6	Yes	-	-	-
Mr. Kanekal Chandrasekhar	7	7	Yes	-	-	-
Mr. Sunil Shah	7	6	Yes	-	-	-
Mr. Devender Singh Rawat[1]	1	1	NA	-	-	-
Mr. S. Rajendran	7	7	Yes	-	-	-
Mr. Devendra Agrawal	7	6	Yes	5	-	-

[1]Appointed w.e.f. 12/02/2019

The table mentioned below gives the attendance record of ex-Directors (i.e. those who ceased to be Directors during the FY 2018-19) at the Board Meetings held during FY 2018-19 as well as the last Annual General Meeting. It also gives details of the number of other Directorships and Chairmanship / Membership of Committees, such Directors holds in various Companies, on the date of their cessation.

Name of Director	No. of Board Meetings held during respective tenure of Director	Attendance Particulars		No. of other Directorships and Committee Membership / Chairmanship		
				Committee		
		Board Meetings	Last AGM	Directorship of other Indian Public Companies	Membership	Chairmanship
Mr. Rajendra Mehta[1]	5	3	Yes	2	-	-

[1] Ceased w.e.f. 29/11/2018

Notes:

1. Comprises directorship, membership & chairmanship of only Indian Public Limited Companies.
2. The committees considered for the above purpose are those as specified in Regulation 26 of the Listing Regulations i.e. Audit Committee and Stakeholders Relationship Committee.
3. None of the Directors on the Board hold directorship in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a Director.
4. Brief profile of each of the above Directors is available on the Company's website (www.63moons.com)

2.4.3 Board Support

The Company Secretary attends the Board / Committee meetings and advises the Board on Compliances with applicable laws and governance.

2.4.4 Post meeting mechanism

The important decisions taken at Board / Committee meetings are communicated to the concerned departments / divisions.

2.4.5 Familiarization programme for Independent Directors

The Company had conducted various sessions during the financial year to familiarize Independent Directors with the Company's annual / quarterly financial performance & reporting / business review / budgets, technology briefing, regulatory framework and updates, legal status and updates etc.

The details of such familiarization programs are displayed on the website of the Company and can be accessed at www.63moons.com/investors/corporate-governance/policies/familiarization-progammes-fy18-19.pdf

At the time of appointing a Director, a formal letter of appointment is given to the Independent Directors, which explains the role, function, duties and responsibilities expected from a Director of the Company. The Director is also explained in detail the compliance required under the Companies Act, 2013, applicable listing regulations and other relevant regulations and affirmation taken from the Directors, with respect to the same.

2.4.6 Code of Conduct

The Company has formulated and implemented a Code of Conduct for the Board of Directors and Senior Management of the Company (one level below the Board). 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 website of the Company (Weblink: www.63moons.com/investors/corporate-governance/policies/code-of-conduct.pdf). The necessary declaration by the Managing Director & CEO of the Company regarding compliance of the Code of Conduct by Directors and Senior Management of the Company for the financial year ended 31st March 2019 forms a part of the Corporate Governance Report.

2.4.7 Conflict of Interest

The Company's code of conduct provides for the Directors / Senior management / Employees to avoid in dealings which may be in conflict with the interest of the Company. If such an interest exists, they are required to make adequate disclosures to the Board or to the Compliance officer of the Company. An Interested Director neither participates in the meeting nor votes in respect of any item in which he is interested. The Board members inform the Company on an annual basis about their Directorship and Committee positions in other companies including Chairmanship and notifies changes during the year. Such disclosures are placed before the Board. Members of the Board avoid conflict of interest in the decision making process, while discharging their duties.

2.4.8 Insider Trading Policy

The Company has formulated 'Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons', 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' and 'Policy for Procedure of Inquiry in case of leak of UPSI' in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 to deter the insider trading in the securities of the Company based on Unpublished Price Sensitive Information (UPSI). The aforesaid policies are amended from time to time reflecting the changes brought in by SEBI in the Insider Trading Regulations. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information is available on the website of the Company (Weblink: www.63moons.com/investors/corporate-governance/policies/code-of-practices-for-fair-disclosure-of-upsi.pdf)

2.5 The details of directorship of the Company's Directors in other Indian public Companies as on 31st March 2019 are given below:

Sr. No.	Name of the Director	Other Directorship details*
1	Mr. Venkat Chary	Nil
2	Justice R. J. Kochar (Retd.)	Nil
3	Mr. A. Nagarajan	Nil
4	Justice Deepak Verma (Retd.)	Nil
5	Mrs. Chitkala Zutshi	Nil
6	Mr. Suresh Salvi	Nil
7	Mr. Kanekal Chandrasekhar	Nil
8	Mr. Sunil Shah	Nil
9	Mr. Devender Singh Rawat	Nil
10	Mr. Devendra Agrawal	(i) Riskraft Consulting Limited, (ii) IBS Forex Limited, (iii) Financial Technologies Communications Limited, (iv) Global Payment Networks Limited, (v) FT Knowledge Management Company Limited
11	Mr. S. Rajendran	Nil

*None of the directors of the Company are holding directorships in any other listed entity as on 31st March, 2019.

The details of directorship of the Company's ex-Directors (i.e. those who ceased to be Directors during FY 2018-19) in other Indian public Companies on the date of their cessation are given below:

Sr. No.	Name of the Director	Other Directorship details
1	Mr. Rajendra Mehta	(i) Apian Finance and Investment Limited, (ii) FT Projects Limited

2.6 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 operating plans and budgets and any updates.

- Capital budgets and any updates.
- Quarterly results for the Company and its operating divisions or business segments.
- Minutes of meetings of audit committee and other committees of the board of directors.
- The information on recruitment and remuneration of senior officers just below the level of board of directors, including appointment or removal of Chief Financial Officer and the Company Secretary.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that may have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- Any significant development in Human Resources / Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Quarterly Corporate Governance report and other periodical disclosures as submitted to stock exchanges.
- Quarterly Legal MIS and status update on ongoing legal cases.
- Quarterly review and noting of Related Party Transactions.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

3 BOARD COMMITTEES:

Details of the Board Committees are provided hereunder:

a) Audit Committee

Mr. Venkat Chary – Independent Director (Chairman of the Committee)
Justice R. J. Kochar (Retd.) – Independent Director
Mr. A. Nagarajan – Independent Director
Mr. Kanekal Chandrasekhar – Non-Executive Director

b) Nomination & Remuneration Committee

Mr. A. Nagarajan – Independent Director (Chairman of the Committee)
Justice R. J. Kochar (Retd.) – Independent Director
Mr. Venkat Chary – Independent Director

c) Stakeholders' Relationship Committee

Mr. Venkat Chary – Independent Director (Chairman of the Committee)
Justice R. J. Kochar (Retd.) – Independent Director
Mr. S. Rajendran – MD & CEO

d) Corporate Social Responsibility Committee

Mr. A. Nagarajan – Independent Director (Chairman of the Committee)
Mrs. Chitkala Zutshi – Independent Director
Mr. S. Rajendran – MD & CEO

e) Risk Management Committee
Mr. Suresh Salvi – Non-Executive Director
Mr. S. Rajendran – MD & CEO
Mr. Devendra Agrawal – Whole-time Director & CFO

f) Investment Committee
Mr. Kanekal Chandrasekhar – Non-Executive Director
Mr. Sunil Shah – Non-Executive Director
Mr. S. Rajendran – MD & CEO
Mr. Devendra Agrawal – Whole-time Director & CFO

g) Restructuring Committee
Mr. Venkat Chary – Independent Director (Chairman of the Committee)
Justice R. J. Kochar (Retd.) – Independent Director
Mr. A. Nagarajan – Independent Director
Mr. S. Rajendran – MD & CEO

h) Governance Committee
Mr. A. Nagarajan – Independent Director (Chairman of the Committee)
Mr. Kanekal Chandrasekhar – Non-Executive Director
Mr. Sunil Shah – Non-Executive Director
Mr. Devendra Agrawal – Whole-time Director & CFO

i) National Company Law Tribunal Committee (NCLT)*
Justice G. P. Mathur (Retd.) – Appointed by NCLT
Dr. Anup K. Pujari – Nominated by Union of India
Mr. Venkat Chary – Independent Director
Mr. S. Rajendran – MD & CEO
Mrs. Chitkala Zutshi – Independent Director
*Constituted by NCLAT

4 AUDIT COMMITTEE

4.1 Composition, Names of Members and Chairperson

The Audit Committee comprised of three Independent Directors and two Non-Executive Directors upto 25/11/2018. Thereafter, the Audit Committee was reconstituted with four Directors to comply with guidance note issued by the Exchanges with respect to SEBI Circular dated 3rd May, 2018:

Name of the Member	Designation	Category
Mr. Venkat Chary	Chairman	Independent Director
Justice R. J. Kochar (Retd.)	Member	Independent Director
Mr. A. Nagarajan	Member	Independent Director
Mr. Suresh Salvi[1]	Member	Non-Executive Director
Mr. Kanekal Chandrasekhar	Member	Non-Executive Director

[1] Ceased to be a member w.e.f. 26/11/2018

The Composition of the Audit Committee is in compliance with the provisions of Section 177 of the Companies Act 2013 and Regulation 18 of the Listing Regulations.

4.2 Powers of the Audit Committee

- To call for comments on Auditor's Report, about internal control systems, the scope of the audit, including the observations of the auditors and review of financial statements before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company
- To investigate any activity within its terms of reference and shall have full access to the information and records of the Company.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

4.3 Brief Description of terms of reference / Responsibility of the Audit Committee

Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall, inter alia, include,

4.3.1 Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

4.3.2 Recommendation for appointment, remuneration and terms of appointment of auditors of the company;

4.3.3 Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4.3.4 Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013, as may be applicable.

b. Changes, if any, in accounting policies and practices and reasons for the same

c. Major accounting entries involving estimates based on the exercise of judgment by management

d. Significant adjustments made in the financial statements arising out of audit findings

e. Compliance with listing and other legal requirements relating to financial statements

f. Disclosure of any related party transactions

g. Modified opinion(s) in the draft audit report

4.3.5 Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

4.3.6 Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

4.3.7 Review and monitor the auditor's independence and performance, and effectiveness of audit process;

4.3.8 Approval or any subsequent modification of transactions of the company with related parties;

4.3.9 Scrutiny of inter-corporate loans and investments;

4.3.10 Valuation of undertakings or assets of the company, wherever it is necessary;

4.3.11 Evaluation of internal financial controls and risk management systems;

4.3.12 Reviewing with the management performance of statutory and internal auditors and adequacy of the internal control systems;

4.3.13 Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

4.3.14 Discussion with internal auditors of any significant findings and follow up there on;

4.3.15 Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

4.3.16 Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

4.3.17 To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

4.3.18 To review the functioning of the Whistle Blower mechanism / Vigil Mechanism;

4.3.19 Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

4.3.20 Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

4.3.21 Reviewing the utilization of loans and / or advances from / investment by the holding company in the subsidiary exceeding Rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower.

4.4 Review of information by Audit Committee

The Audit Committee reviews the following information:

4.4.1 Management discussion and analysis of financial condition and results of operations;

4.4.2 Statement of significant related party transactions, submitted by management;

4.4.3 Management letters / letters of internal control weaknesses issued by the statutory auditors;

4.4.4 Internal audit reports relating to internal control weaknesses; and

4.4.5 The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

4.4.6 Statement of deviations:

a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.

b) annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7) of the Listing Regulations.

4.5 Meetings and attendance

The Audit Committee met five (5) times during the year. The dates of the meeting being 18th April 2018, 21st May 2018, 9th August 2018, 25th October 2018 and 12th February 2019. The maximum time gap between any two meetings was not more than one hundred and twenty days. The MD & CEO, Chief Finance Officer, Partners / Representatives of the Statutory Auditors and the Internal Auditors were some of the invitees to the Audit Committee meetings. The Company Secretary of the Company acts as the secretary to the Committee. The Internal Auditor reports directly to the Audit Committee.

Name of the Member	No. of Audit Committee Meetings held during the tenure of Members	Attendance Particulars
Mr. Venkat Chary	5	5
Justice R. J. Kochar (Retd.)	5	5

Name of the Member	No. of Audit Committee Meetings held during the tenure of Members	Attendance Particulars
Mr. A. Nagarajan	5	5
Mr. Suresh Salvi	4	3
Mr. Kanekal Chandrasekhar	5	5

4.6 Internal Controls and Governance Processes

The Company has appointed a firm of Chartered Accountants as Internal Auditors to inter alia review and report on the internal control system. The report of the Internal Auditors is reviewed by the Audit Committee. The Internal Auditors attend the meetings of the Audit Committee on regular basis and submit their recommendations to the Audit Committee which provides a road map for future action.

5 NOMINATION AND REMUNERATION COMMITTEE (NRC)

The Nomination and Remuneration Committee has been constituted to meet the requirements of Section 178 of the Companies Act 2013 and Regulation 19 of the Listing Regulations.

5.1 Composition, Names of Members and Chairperson:

The Nomination and Remuneration Committee comprises of three Independent Non-Executive Directors:

Name of the Member	Designation	Category
Mr. A. Nagarajan	Chairman[1] / Member	Independent Director
Justice R. J. Kochar (Retd.)	Chairman[2] / Member	Independent Director
Mr. Venkat Chary	Member	Independent Director

[1]Appointed as Chairman w.e.f 09/08/2018

[2]Ceased as Chairman w.e.f 09/08/2018

5.2 Brief Description of terms of reference

The Role, terms of reference and powers of Nomination and Remuneration Committee (NRC), inter alia, includes the following

5.2.1 To identify persons who are qualified to become Directors and who may be appointed in the senior management;

5.2.2 To formulate a criteria for determining qualifications, positive attributes and independence of a director;

5.2.3 To recommend to the Board, appointment and removal of the identified directors and senior management personnel based on the laid down criteria and formulated policy;

5.2.4 To formulate criteria for evaluation of Independent Directors and the Board and shall carry out evaluation of every director's performance;

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

5.2.6 To devise a policy on the Board diversity;

5.2.7 To recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees. Also, to recommend to the Board, all remuneration, in whatever form, payable to senior management;

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

5.2.9 To evaluate the remuneration paid by comparable organizations;

5.2.10 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;

5.2.11 The Committee discharges such other function(s) or exercise such power(s) delegated to the Committee by the Board from time to time.

During the year under review, the Committee met three (3) times viz. 21st May 2018, 9th August 2018 and 12th February 2019.

Name of the Member	No. of Nomination & Remuneration Committee Meetings held during the tenure of the member	Attendance Particulars
Mr. A. Nagarajan	3	3
Justice R. J. Kochar (Retd.)	3	3
Mr. Venkat Chary	3	3

5.3 Nomination and Remuneration Policy

Pursuant to Regulation 19 of the Listing Regulations and Section 178 of the Act, the Nomination and Remuneration Committee has adopted a Nomination and Remuneration Policy which has following objectives:

a. guide and recommend to the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management personnel.

b. to evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation by the Board.

c. to recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management Personnel.

d. to ratify / approve, the appointment / removal / remuneration of Senior Management and other employees, other than Executive Directors and KMPs. For Senior Management & other employees, the Committee shall consider the recommendation of the MD & CEO and / or HR Head.

The policy is placed on Company website www.63moons.com/investors/corporate-governance/policies/Nomination-and-Remuneration-Policy.pdf.

5.4 Performance evaluation criteria

The Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates evaluation of performance of Independent Directors, Non-Independent Directors and Chairman. The Board has carried out the annual evaluation of its own performance, its committees and its Directors individually. The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

Performance evaluation of Independent Directors was done by the entire Board of Directors, excluding the Directors being evaluated. The performance evaluation criterion for Independent Directors is determined by Nomination and Remuneration Committee. Factors considered for performance evaluation of Independent Directors include commitment to fulfilment to the Directors obligations and fiduciary responsibilities, participation and contribution by a Director, independence of behaviour and judgement, ability to address challenges and risk, effective deployment of knowledge and expertise, long term strategic planning, effective management of relationship with stakeholders, maintenance of confidentiality & integrity, objective view in evaluation of performance of board and management, etc. The performance evaluation of Managing Director, Whole-time Directors and the non-executive Directors was carried out by the Independent Directors.

5.5 Directors' Remuneration

i. Remuneration paid to the Executive Directors

The aggregate value of salary, perquisites paid for the year ended 31st March 2019 to the Managing Director and Whole-time Directors are as follows:

(₹ in lakhs)

Particulars	S. Rajendran (Managing Director & CEO)	Rajendra Mehta[1] (Whole-time Director)	Devendra Agrawal (Whole-time Director & CFO)	Total
Salaries and Allowances*	176.65	72.45	73.45	322.55
Monetary value of perquisites	0.40	-	-	0.40
Commission	-	-	-	-
TOTAL	**177.05**	**72.45**	**73.45**	**322.95**

[1]Ceased as Whole-time Director w.e.f. 29/11/2018

*The above remuneration includes basic salary, allowances, taxable value of perquisites excluding company contribution towards PF etc. It excludes gratuity and compensated absences which are actuarially valued and where separate amounts are not identifiable and which are paid on termination of services.

*The Company has entered into agreements with Managing Director and Executive directors. Services of the Managing Director and Executive Directors may be terminated by either party, giving the other party three months' notice or by paying gross salary for the deficient notice period.

ii. Remuneration paid to the Non-Executive Directors

The Company pays following sitting fees per meeting to the Non-Executive Directors for attending various meetings:

1. Board Meeting: ₹ 100,000/-
2. Audit Committee and Independent Directors Meeting: ₹ 50,000/-
3. Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee, Risk Management Committee, Restructuring Committee, Investment Committee & Governance Committee: ₹ 25,000/-
4. National Company Law Tribunal Committee: ₹ 100,000/-

Gross sitting fees for the year ended 31st March 2019 is as follows:

Name of the Director	Total (₹)
Mr. Venkat Chary	17,50,000
Justice R. J. Kochar (Retd.)	11,50,000
Mr. A. Nagarajan	12,00,000
Mr. Sunil Shah	7,00,000
Mr. Suresh Salvi	7,75,000
Justice Deepak Verma (Retd.)	2,00,000
Mrs. Chitkala Zutshi	15,00,000
Mr. Kanekal Chandrasekhar	10,50,000
Mr. Devender Singh Rawat[1]	1,00,000

[1]Appointed w.e.f. 12/02/2019

An amount of ₹ 20 lakhs has been provided in books as Commission to Non-Executive Directors for the financial year ended March 31, 2019, to be paid during current financial year after adoption of the accounts by the shareholders at the Annual General Meeting. The details of Commission paid to Directors during the year relating to previous financial year ended March 31, 2018 are provided in MGT-9 forming part of Directors Report and the same is available on the website of the Company. During the year, the Non-Executive Directors were not issued any stock options by the Company. For the details of shares held by Directors, refer section 2.1 of this Report.

Payment of ₹ 24 lakhs was made to Mr. Sunil Shah towards professional charges during the financial year 2018-19.

6 STAKEHOLDERS RELATIONSHIP COMMITTEE

The composition of Stakeholders Relationship Committee is in compliance with Section 178(5) of the Companies Act 2013 and Regulation 20 of the Listing Regulations.

6.1 Composition, Names of Members and Chairperson

The Committee comprises of:

Name of the Member	Designation	Category
Mr. Venkat Chary	Chairman[1] / Member	Independent Director
Justice R. J. Kochar (Retd.)	Chairman[2] / Member	Independent Director
Mr. S. Rajendran	Member	MD & CEO

[1]Appointed as Chairman w.e.f 09/08/2019

[2]Ceased as Chairman w.e.f 09/08/2019

6.2 Compliance Officer

Mr. Hariraj S. Chouhan, Sr. 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:** +91-22-67250257 | **E:** info@63moons.com

6.3 Brief Description of terms of reference

The Scope of the Committee inter alia includes:

6.3.1 Approval of 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 Annual Report, non-receipt of dividends etc. received directly or through SEBI (SCORES), Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies etc. Moreover, the Committee oversees the performance of the Registrar & Share Transfer Agent of the Company.

6.3.2 Consideration and resolution / redressal of the grievances of the security holders of the Company

The Committee met twice during the year under review on 25th October 2018 and 12th February 2019.

Name of the Member	No. of Stakeholders Relationship Committee Meetings held during the tenure of the member	Attendance Particulars
Mr. Venkat Chary	2	2
Justice R. J. Kochar (Retd.)	2	2
Mr. S. Rajendran	2	2

The status of nature of complaints received, resolved and pending during the financial year ended 31st March 2019.

Nature of Complaints	Received	Resolved	Pending
Non receipt of dividend	11	11	0
Non-receipt of share certificates after transfer / merger / split / consolidation	1	1	0
Non-receipt of Annual Report	0	0	0
SEBI / BSE / NSE	7	7	0
TOTAL	**19**	**19**	**0**

During the year under review, no share transfer / complaints remained pending for more than 30 days. Also, there were no share transfers pending as on 31st March 2019.

7 CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Composition of Corporate Social Responsibility Committee (CSR) is pursuant to the provisions of Section 135 of the Companies Act 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

7.1 Composition, Names of Members and Chairperson

Name of the Member	Designation	Category
Mr. A. Nagarajan	Chairman	Independent Director
Mr. Rajendra Mehta[1]	Member	Whole-time Director
Mrs. Chitkala Zutshi	Member	Independent Director
Mr. S. Rajendran[2]	Member	MD & CEO

[1] Ceased to be a member w.e.f. 26/11/2018

[2]Appointed as member w.e.f. 26/11/2018

7.2 Brief Description of terms of reference

7.2.1 To recommend CSR Policy which inter alia, elucidates activities to be undertaken by the Company as specified in Schedule VII of the Companies Act 2013;

7.2.2 To evaluate and recommend amount to be spent on each of CSR activities;

7.2.3 To monitor CSR Policy and CSR amount spent on approved CSR projects;

7.2.4 Preparation and review of information / disclosure on CSR activities in the Annual Report.

7.3 The Company has formulated CSR Policy, duly approved by the Board, which is uploaded on the website of the Company (Weblink: www.63moons.com/investors/corporate-governance/policies/csr-policy.pdf)

7.4 Meeting and attendance

The CSR Committee met two (2) times during the year under review i.e. on 26th July 2018 and 24th December 2018.

Name of the Member	No. of Corporate Social Responsibility Committee Meetings held during the tenure of the member	Attendance Particulars
Mr. A. Nagarajan	2	2
Mr. Rajendra Mehta	1	1
Mrs. Chitkala Zutshi	2	2
Mr. S. Rajendran	1	1

8 RISK MANAGEMENT

The Company has laid down procedures about the risk assessment and its mitigation. The procedures are reviewed periodically to ensure that risk is controlled through properly defined framework. For further details refer Directors Report.

8.1 Composition, Names of Members and Chairperson:

Name of the Member	Designation	Category
Mr. Suresh Salvi	Chairman[1] / Member	Non-Executive Director
Mr. S. Rajendran	Member	MD & CEO
Mr. Rajendra Mehta[2]	Member	Whole-time Director
Mr. Devendra Agrawal[3]	Member	Whole-time Director & CFO

[1]Appointed as Chairman w.e.f. 26/11/2018

[2]Ceased to be a member w.e.f. 26/11/2018

[3]Appointed as a member w.e.f. 26/11/2018

8.2 Meetings and attendance:

The Risk Management Committee met one (1) time during the year under review i.e. on 27th March 2019.

Name of the Member	No. of Risk Management Committee Meetings held during the tenure of Members	Attendance Particulars
Mr. Suresh Salvi	1	1
Mr. S. Rajendran	1	1
Mr. Rajendra Mehta	-	-
Mr. Devendra Agrawal	1	1

9 INVESTMENT COMMITTEE

The Investment Committee has been constituted with the following mandate:

a) To formulate and amend, as may be required from time to time, the Investment policy of the Company;

b) To approve and authorize investments as per the Investment policy;

c) To advise Management on the review and exit of investments based on any developments.

9.1 Composition, Names of Members and Chairperson:

Name of the Member	Designation	Category
Mr. Kanekal Chandrasekhar	Member	Non-Executive Director
Mr. Sunil Shah	Member	Non-Executive Director
Mr. S. Rajendran	Member	MD & CEO
Mr. Devendra Agrawal	Member	Whole-time Director & CFO

Note: Chairman is elected at the commencement of the meeting

9.2 Meetings and attendance

The Investment Committee met two (2) times during the year under review i.e on 9th October 2018 and 24th December 2018.

Name of the Member	No. of Investment Committee Meetings held during the tenure of Members	Attendance Particulars
Mr. Kanekal Chandrasekhar	2	2
Mr. Sunil Shah	2	2
Mr. S. Rajendran	2	2
Mr. Devendra Agrawal	2	2

10 RESTRUCTURING COMMITTEE

The Restructuring Committee has been constituted to oversee a restructuring plan for the Company in its efforts to charter new growth path for the Company. Restructuring plan includes the possibility of identifying a strategic partner who will help drive growth of the Company and contribute towards leveraging the Company's core DNA of technology creation to drive strategic growth beyond financial markets. The Committee also considers divestment of the Company's investment in other Exchanges as a part of the restructuring.

10.1 Composition, Names of Members and Chairperson

Name of the Member	Designation	Category
Mr. Venkat Chary	Chairman	Independent Director
Mr. S. Rajendran	Member	MD & CEO
Justice R. J. Kochar (Retd.)	Member	Independent Director
Mr. A. Nagarajan	Member	Independent Director

10.2 Meeting and attendance

The Restructuring Committee met one (1) time during the year under review i.e. on 25th October 2018.

Name of the Member	No. of Restructuring Committee Meetings held during the tenure of Members	Attendance Particulars
Mr. Venkat Chary	1	1
Mr. S. Rajendran	1	1
Justice R. J. Kochar (Retd.)	1	1
Mr. A. Nagarajan	1	1

11 GOVERNANCE COMMITTEE

As per the requirements of SEBI Circular dated May 10, 2018 for Implementation of certain recommendations of the Committee on Corporate Governance formed under the Chairmanship of Shri Uday Kotak, the Governance Committee has been constituted on May 21, 2018 inter-alia with the following mandate:

a. To review the performance of various direct subsidiaries on a quarterly / half-yearly basis;

b. To review the utilization of loans and / or advances from / investment by the holding company in the subsidiary on a half-yearly basis;

c. To review the investments made by subsidiaries periodically.

11.1 Composition, Names of Members and Chairperson

Name of the Member	Designation	Category
Mr. A. Nagarajan	Chairman[1] / Member	Independent Director
Mr. Kanekal Chandrasekhar	Member	Non-Executive Director
Mr. Sunil Shah	Member	Non-Executive Director
Mr. Devendra Agrawal	Member	Whole-time Director & CFO

[1]Appointed as Chairman w.e.f. 09/08/2018

11.2 Meeting and attendance

The Governance Committee met two (2) times during the year under review i.e. on 24th October 2018 and 11th February 2019.

Name of the Member	No. of Governance Committee Meetings held during the tenure of Members	Attendance Particulars
Mr. A. Nagarajan	2	2
Mr. Kanekal Chandrasekhar	2	2
Mr. Sunil Shah	2	2
Mr. Devendra Agrawal	2	2

12 MEETINGS OF INDEPENDENT DIRECTORS

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. The meeting reviewed the performance of Non-Independent Directors and the Board as a whole, reviewed the performance of the Chairman of the Board, taking into account the views of the Executive Directors and Non-Executive Directors and assessed the quality and timelines of flow of information between the Management and the Board to effectively perform its duties.

At such meeting, the Independent Directors discussed inter alia, the performance of the Company and risks faced by it, governance, compliance, performance of executive members of the Board including the Chairman.

One meeting of Independent Directors was held during the year on 27th March 2019.

13 COMMITTEE FORMED AS PER NATIONAL COMPANY LAW TRIBUNAL (NCLT) ORDER

As per Order passed by Hon'ble National Company Law Tribunal (NCLT) dated 24th June 2016 and as modified on 25th June 2016 and as continued by the Appellate Tribunal order dated 27th June 2018 and 3rd July 2018, a Committee has been formed comprising of two Independent Directors and Managing Director & CEO of 63 moons technologies ltd. (Company), a retired Judge of the Hon'ble Supreme Court and Nominee of the Petitioner i.e. Union of India; or as be modified by NCLT from time to time.

The Committee has been empowered by the NCLT to consider the following:

i. Sale of investments held by the Company in compliance with any order / direction passed by any Regulatory or Statutory Authority in India or Abroad, as and when such sale is proposed by the Company;

ii. Treasury operations of the Company such as investment of surplus funds or switching and/or altering the investment of surplus funds;

iii. Funding of the working capital requirements of the subsidiaries of the Company.

The Retired Judge and the Nominee of the Petitioner i.e. Union of India, shall have veto powers individually. Anything not agreed upon in the Committee meeting has to be referred to NCLT.

13.1 Composition, Names of Members and Chairperson

The Committee comprises of:

Name of the Member	Designation	Category
Justice G. P. Mathur (Retd.)	Chairman	Appointed by NCLT
Dr. Anup K. Pujari	Member	Nominated by Union of India
Mr. Venkat Chary	Member	Independent Director
Mr. S. Rajendran	Member	MD & CEO
Mrs. Chitkala Zutshi	Member	Independent Director

13.2 Meeting and attendance

The NCLT Committee met seven (7) times during the year under review i.e. on 4th May 2018, 6th June 2018, 13th December 2018, 28th January 2019, 23rd February 2019, 2nd March 2019 and 29th March 2019.

Name of the Member	No. of NCLT Committee Meetings held during the tenure of Members	Attendance Particulars
Justice G. P. Mathur (Retd.)	7	7
Dr. Anup K. Pujari	7	7
Mr. Venkat Chary	7	7
Mr. S. Rajendran	7	6
Mrs. Chitkala Zutshi	7	7

14 GENERAL BODY MEETINGS

14.1 The date, time and venue for the last three Annual General Meetings (AGM) are mentioned hereunder:

Financial Year	Date	Time	Venue of the Meeting
2015-16	27-09-2016	11.30 a.m.	Kasturi Srinivasan Hall, The Music Academy, Madras, New No. 168, TTK Road, Royapettah, Chennai - 600014.
2016-17	27-09-2017	11.30 a.m	Tapovan Hall, Chinmaya Heritage Centre, No.2, 13th Avenue, Harrington Road, Chetpet, Chennai - 600031.

Financial Year	Date	Time	Venue of the Meeting
2017-18	27-09-2018	11.30 a.m.	Kasturi Srinivasan Hall, The Music Academy, Madras, New No. 168, TTK Road, Royapettah, Chennai - 600014.

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

Financial Year	Date of AGM	Particulars
2015-16	27-09-2016	NIL
2016-17	27-09-2017	NIL
2017-18	27-09-2018	i) Re-appointment of Mr. Rajendra Mehta (DIN: 00390504) as Whole-time Director of the Company. ii) Continuation of Directorship of Mr. Venkat Chary (IAS, Retd.) (DIN: 00273036) beyond March 31, 2019. iii) Continuation of Directorship of Justice Rajan J. Kochar (Retd.) (DIN: 06710558) beyond March 31, 2019. iv) Continuation of Directorship of Mr. Suresh Salvi (IAS, Retd.) (DIN: 07636298) beyond March 31, 2019.

14.2 Postal Ballot

14.2.1 The Company successfully completed the process of obtaining the approval of shareholders through postal ballot vide its Postal Ballot Notice dated 6th May 2019.

Particulars of resolutions passed by the shareholders with requisite majority and the details of voting pattern are as under:

Description of Resolution	Type of Resolution	No. of Votes Polled	Votes cast in favour & %	Votes cast against & %
Sale of equity shares held by the Company in Atom Technologies Limited, a subsidiary of the Company.	Special Resolution	26,302,522	26,301,002 (99.994%)	1520 (0.006%)
Investment etc. in subsidiary of the Company / Approval of Related Party Transaction.	Ordinary Resolution	26,244,008	26,243,746 (99.999%)	262 (0.001%)
Appointment of Mr. Devender Singh Rawat (DIN: 02587354) as Non-Executive Director, liable to retire by Rotation.	Ordinary Resolution	26,244,283	26,243,170 (99.996%)	1113 (0.004%)

14.2.2 Procedure for Postal Ballot

The Postal Ballot Notices were sent to the shareholders on May 17, 2019 in accordance with the provisions of Companies Act, 2013 and applicable rules. M/s. Karvy Fintech Pvt. Ltd., Registrar & Share Transfer Agent of the Company was appointed as service provider to enable the shareholders to cast their votes online. Mr. Venkataraman K., Practicing Company Secretary, Mumbai, was appointed by the Board as Scrutinizer to receive and scrutinize the completed postal ballot forms and e-votes electronically received from the shareholders and for conducting the said Postal Ballot process in a fair and transparent manner. Intimation about completion of dispatch of the Postal Ballot forms and the last date of receipt of reply from shareholders / completion of e-voting was intimated to the Shareholders by way of publication of advertisement in "The New Indian Express" and "Dinamani", (Tamil edition) newspapers in Chennai. Subsequent to the submission of the Scrutinizer's report, the results were announced by the Chairman / Director at the Corporate Office of the Company. Also, the results were communicated to the stock exchanges and were placed on the website of the Company and the service provider. The detailed procedure for voting on resolutions through Postal Ballot is explained in the notice of Postal Ballot circulated to the members.

14.3 Disclosures

14.3.1 The Company has complied with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 1956 & Companies Act, 2013, as applicable in the preparation of the financial statements of the Company.

14.3.2 During the FY 2018-19:

i. The Company has made investments in its subsidiary i.e. NSEL amounting to ₹ 1477.13 lakhs in terms of shareholders' approval obtained on March 08, 2017.

ii. The Company has not entered into any materially significant transaction with related parties that may have any potential conflict with the interest of the Company at large.

Apart from payment of sitting fees, there is no pecuniary transaction with the Independent / Non-Executive Directors except with one Non-Executive Director, details of which are provided in Clause 5.5 above.

During the year 2018-19, the Company has renewed the agreement with Mr. Jignesh Shah, the Promoter, for providing strategic inputs in relation to ongoing legal matters and mentoring Company's future vision.

A statement showing the disclosure of transactions with related parties as required under Indian Accounting Standard 24 is set out separately in this Annual Report (Note No. 40 to Standalone Financial Statements).

As required under Regulation 23(1) of the Listing Regulations, the Company has formulated a policy on dealing with Related Party Transaction intended to ensure due and timely identification, approval, disclosure and reporting of transactions between the Company and any of its Related Parties in compliance with the applicable laws and regulations as may be amended from time to time. The aforesaid policy is also available at website of the Company (Weblink: www.63moons.com/investors/corporate-governance/policies/related-party-transactions-policy.pdf)

14.3.3 During the year under review, the Stock Exchanges (BSE & NSE) issued Notices and levied fine on the Company for non-compliance of Regulation 18(1) of SEBI (LODR) Regulations, 2015 with respect to Composition of Audit Committee, as the Composition of five members was not in accordance of Guidance Note of the Exchanges for rounding off to the highest fraction. Based on the representation and replies given by the Company to Exchanges, both BSE & NSE withdrew their notices and no fine was levied. The Company, in the meantime reconstituted the Audit Committee with four Directors to comply with guidance note issued by the Exchanges with respect to SEBI Circular dated 3rd May, 2018, which provide for rounding off the fraction to the highest number while determining the compliance. During the FY 2017-18, SEBI had imposed on Company a penalty of ₹ 1,00,000/- under Section 15HB of SEBI Act for violation of provisions of Regulation 45(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The same was paid by the Company. Besides this, there were no instances of any non-compliances by the Company, penalties, strictures imposed on the Company by Stock Exchanges or any statutory authority, on any matter relating to capital markets, during the last three years.

14.3.4 Please refer to the Directors' Report for the Auditors qualification and Management response thereto.

14.3.5 Whistle Blower Policy:

The Company has established a vigil mechanism and also adopted a Whistle Blower Policy in compliance with the Companies Act, 2013 and Listing Regulations under which the directors and employees are free to report genuine concerns, violations of applicable laws and regulations and the Code of Conduct. It provides for adequate safeguards against victimization of director(s) or employee(s) who avails such mechanism and also provides for direct access to the chairman of the audit committee in appropriate or exceptional cases. During the year under review, no personnel have been denied access to the Audit Committee. The Whistle Blower Policy is uploaded on the Company's website viz www.63moons.com/investors/corporate-governance/policies/whistle-blower-policy.pdf

14.3.6 Details of preferential allotment or qualified institutional placement as specified under Regulation 32(7A) of the Listing Regulations

The Company has not raised funds through preferential allotment or qualified institutional placement.

14.3.7 Certificate from Practicing Company Secretary

The Company has obtained a certificate from M/s. BNP & Associates, Practicing Company Secretaries, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority and the same forms part of this report.

14.3.8 Recommendations of Committees of the Board

There were no instances during the financial year 2018-19, wherein the Board had not accepted recommendations made by any committee of the Board.

14.3.9 Details of total fees paid to statutory auditors

The details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to its statutory auditor and all entities in the network form / network entity of which the statutory auditor is a part, are as follows:

(₹ in lakhs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
For audit	33.00	33.00
For taxation matters*	6.00	12.00
For limited reviews	12.00	12.00
For other services	28.95	14.11
Reimbursement of expenses	6.34	5.57
TOTAL	86.29	76.68

*paid to group firm

14.3.10 During the FY 2018-19, the Company has not received any complaints on sexual harassment and hence no complaints remain pending as of March 31, 2019.

14.3.11 None of the Independent Directors of the Company have resigned before the expiry of their tenure during the year under review. Thus, disclosure of detailed reasons of their resignation along with their confirmation that there are no material reasons, other than those provided by them is not applicable.

14.3.12 The Company has fulfilled the mandatory corporate Governance requirements as per the Listing Regulations and discretionary requirements as prescribed in Part E of Schedule II, which are as under:

a. Separate posts of Chairperson and MD & CEO and reimbursement of expenses in the performance of duties.

b. Auditor's qualification: The Auditors' qualifications and the management reply to the same have been disclosed in the Directors' Report. Therefore, to avoid the repetition, same are not being reproduced here.

c. Internal auditor reports directly to the audit committee

14.3.13 The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance.

15 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 unlisted subsidiary companies are periodically placed before the Board of Directors of the Company. The Internal Auditors of the Company, make quarterly presentations to the Audit committee on their reports. The Governance Committee is constituted on May 21, 2018 as per the requirements of SEBI Circular dated May 10, 2018 to monitor the governance of subsidiary companies, the details of the same are stated elsewhere in this Report.

Pursuant to the provisions of Listing Regulations the company has also formulated a policy for determining material subsidiaries and the same is displayed on the website of the Company (Weblink: www.63moons.com/investors/corporate-governance/policies/material-subsidiary-policy.pdf)

16 MEANS OF COMMUNICATION

16.1 The quarterly results are published in newspapers, namely The New Indian Express in English and Dinamani in the regional language.

16.2 The quarterly, half-yearly and annual financials appear on our corporate website www.63moons.com under the Investors section.

16.3 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.63moons.com

16.4 The Company's financial results, shareholding pattern and all other corporate communications to the Stock Exchanges are filed electronically through NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre, an electronic filing platform developed and provided by NSE and BSE respectively. Various applicable compliances as required under Listing Regulations are filed through these systems. All the Disclosures / Communications to the stock exchanges are also posted on the website of the Company.

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

16.6 CEO / CFO Certification: In terms of the Listing Regulations, the certification by the Managing Director & CEO and Whole-time Director & CFO on the financial statements and the internal controls relating to financial reporting has been obtained and is provided in this Annual Report.

17 GENERAL SHAREHOLDER INFORMATION

17.1 Annual General Meeting

Date : 18th September 2019

Time : 11:00 am

Venue : Sri Chandrasekarendra Saraswathi Mahaswami Auditorium, Vani Mahal, 103, G.N. Road, T. Nagar, Chennai - 600017

17.2 Financial Calendar

Financial Year 1st April 2019 to 31st March 2020

Financial Reporting for the quarter ending as per Listing Regulations (tentative and subject to change):

30th June 2019	On or before 14th August 2019
30th September 2019	On or before 14th November 2019

31st December 2019	On or before 14th February 2020
31st March 2020	On or before 30th May 2020 (audited figures) as per SEBI Listing Regulations

17.3 Book-Closure Date and Dividend Disclosure

a) The Books shall be closed from 12th September 2019 to 18th September 2019 (both days inclusive) for the purpose of the ensuing Annual General Meeting. The Dividend, as recommended by the Board, if approved by the shareholders at the Annual General Meeting, shall be paid to all shareholders, subject to the appropriate judicial orders whose name appear

- as beneficial owners at the end of the business day on 11th September 2019, as per the details available with NSDL & CDSL, and
- on the Register of Members as on 11th September 2019, of owners holding shares in physical form.

b) Announcement of Dividend

The Board of Directors have recommended a dividend of ₹ 2/- (i.e. 100%) per equity share subject to approval of shareholders at the ensuing Annual General Meeting and appropriate judicial orders.

c) Mode of Payment and Date of Payment

Final Dividend shall be remitted through National Electronic Clearing Service (NECS) / Electronic Clearing Service (ECS) / National Electronic Funds Transfer (NEFT) / Direct Credit (DC) at approved locations, wherever NECS/ECS/NEFT/DC 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 3 months from the date of issue. Post-expiry of validity period, these may be sent to the Company's Corporate office at FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai – 400 093, for issuance of Demand draft / Bankers cheque in lieu of expired warrants.

Date of Payment: Subject to appropriate judicial orders.

17.4 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), Annual Listing fees has been paid to the aforesaid stock exchanges.

As on 31st March 2019, there were 54,879 shareholders in the Company.

17.5 Stock Market Codes

17.5.1 Trading Symbol

Name of the Stock Exchanges	Scrip Code / Symbol	Reuters	Bloomberg
BSE Ltd.	526881	63MO.BO	63MOONS:IN
National Stock Exchange of India Ltd.	63MOONS	63MO.NS	-

17.5.2 Depository for Equity Shares : NSDL and CDSL

17.5.3 Demat ISIN Number

Equity share : INE111B01023

17.6 Stock Market Data

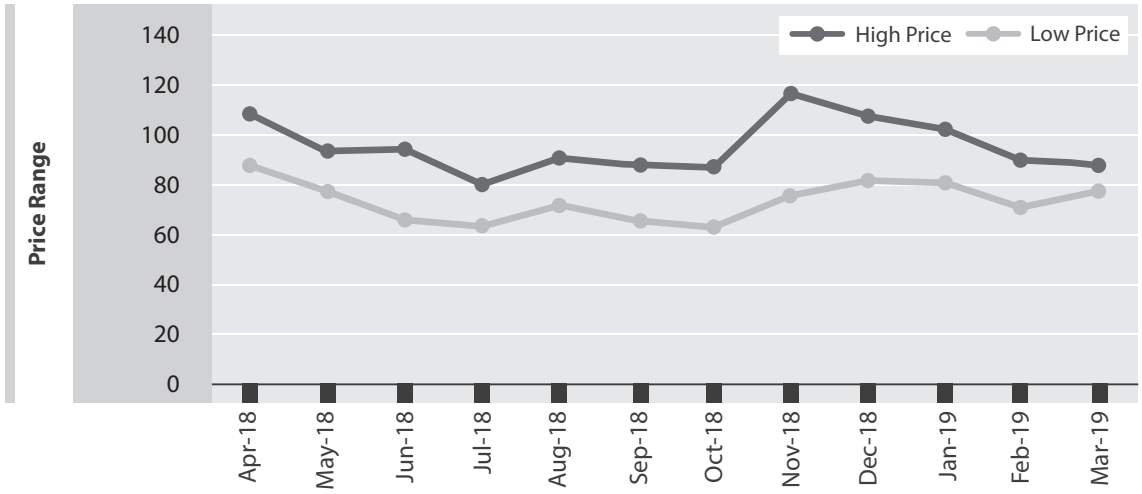
(Amount In ₹)

Month & Year	National Stock Exchange			Bombay Stock Exchange		
	High Price	Low Price	Volume Nos.	High Price	Low Price	Volume Nos.
Apr-2018	107	87.05	10,916,801	106.9	85.05	2,422,539
May-2018	92.2	76	5,592,602	92.25	75.85	1,578,954
Jun-2018	93.5	65.05	11,526,400	93.3	65.25	2,868,106
Jul-2018	79.25	63.1	4,530,576	79.5	61	1,215,308

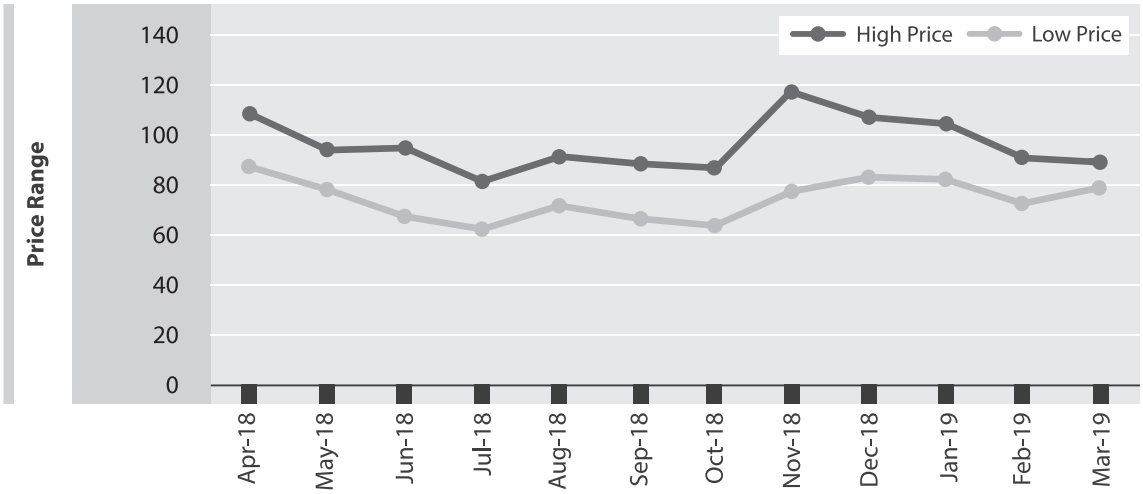
Month & Year	National Stock Exchange			Bombay Stock Exchange		
	High Price	Low Price	Volume Nos.	High Price	Low Price	Volume Nos.
Aug-2018	89.55	70.25	13,075,637	89.5	70.4	3,277,569
Sep-2018	87.35	65	4,463,717	87.05	65	1,164,916
Oct-2018	86.25	62.05	4,562,768	85.5	62.2	1,082,644
Nov-2018	114.85	75	19,674,269	114.85	75.1	4,605,889
Dec-2018	105.9	81	9,271,807	105	81.55	3,184,911
Jan-2019	101.9	80.1	5,692,689	101.9	80	2,303,507
Feb-2019	89.75	70.85	4,309,610	88.9	71	1,869,904
Mar-2019	87.6	77.6	3,840,572	87.45	77.25	1,214,904

The market price data is given below, covering the period April 2018 to March 2019

NSE Price



BSE Price



17.7 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 2019 is given in the chart below:

Chart showing 63 moons technologies limited price in BSE vs Sensex
(At a common base of 100 from April 2018 to March 2019)

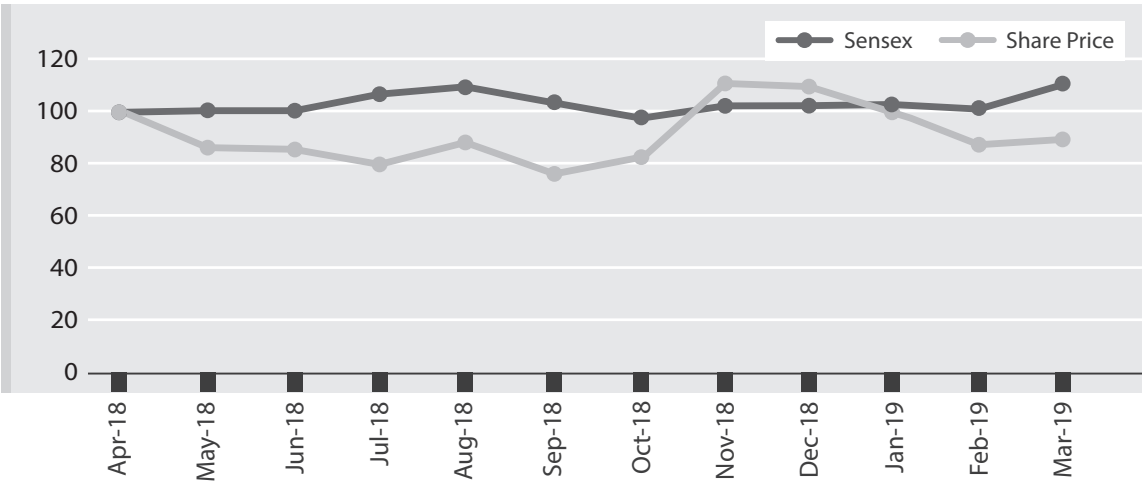
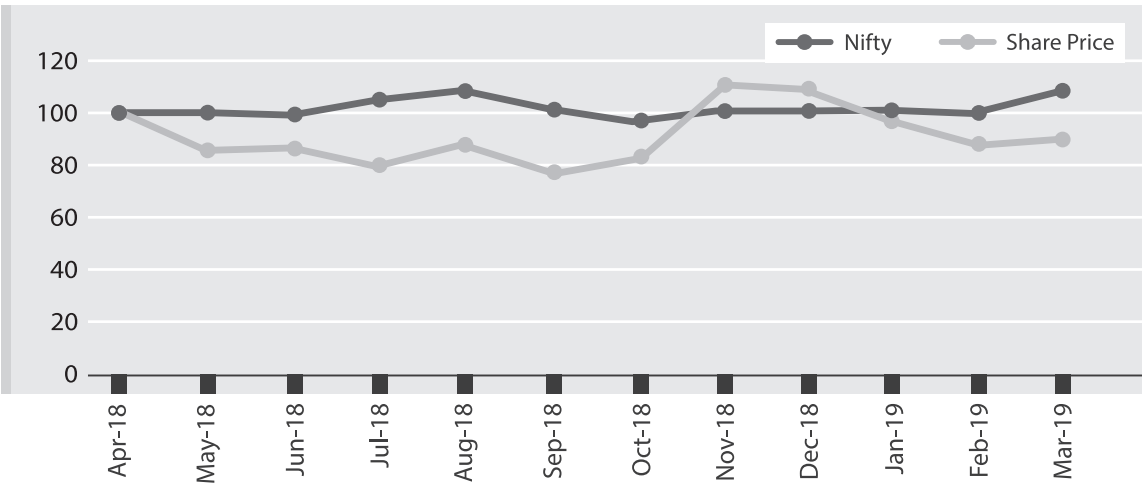


Chart showing 63 moons technologies limited price in NSE vs Nifty
(At a common base of 100 from April 2018 to March 2019)



17.8 Registrar & Share Transfer Agent

Karvy Fintech Pvt. Ltd.

Karvy Selenium Tower B, Plot No 31 & 32
Gachibowli, Financial District,
Nanakramguda, Serilingampally
Hyderabad, Telangana – 500032.

Direct line: +91-40-67162222

F: +91-40-23001153 | E: einward.ris@karvy.com

17.9 Share Transfer System

Shares sent for transfer in physical form are registered and returned within a period of 15 days from the date of lodgement and demat requests are normally confirmed within an average period of 15 days, provided the documents are valid in all respects. A half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations is obtained from the Company Secretary in Practice and a copy of the certificate is filed with the Stock Exchanges.

The Securities and Exchange Board of India on June 08, 2018 notified SEBI (Listing Obligations & Disclosure Requirements) (Fourth Amendment) Regulations, 2018 which states that securities of listed companies can be transferred only in dematerialised form with effect from December 05, 2018. In view of the above, Members are requested to dematerialise the shares held by them in physical form. The Company has sent reminder to the shareholders holding shares in physical form, to dematerialise their shareholding.

17.10 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 2019 , a total of 46,003,128 equity shares of the Company were dematerialised, forming 99.84% of the Company's total Share Capital.

Description	No. of Shareholders	% of Shareholders	No. of Equity Shares	% of Shares
Physical	337	0.61	75,409	0.16
Electronic				
Under NSDL	31,938	58.20	39,004,190	84.65
Under CDSL	22,604	41.19	6,998,938	15.19
TOTAL	**54,879**	**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 address with Registrar & Share 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 email their request to einward.ris@karvy.com.

17.11 Distribution of Shareholding and Shareholding Pattern as on 31st March 2019

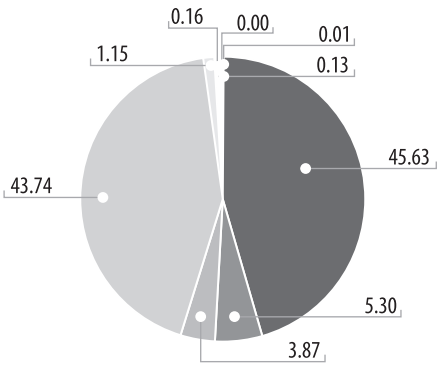
Category (Shares)	No. of Holders	% to Holders	No. of Shares	% to Equity
1 - 500	50037	91.18	4256087	9.24
501 - 1000	2485	4.53	1963361	4.26
1001 - 2000	1222	2.23	1845640	4.01
2001 - 3000	364	0.66	919254	1.99
3001 - 4000	179	0.33	636857	1.38
4001 - 5000	160	0.29	751197	1.63
5001 - 10000	238	0.43	1714629	3.72
10001 - AND ABOVE	194	0.35	33991512	73.77
TOTAL	**54879**	**100.00**	**46078537**	**100.00**

Shareholding Pattern

Shareholding Pattern of 63 moons technologies limited (As on 31st March 2019)

Sr. No.	Category	No. of Shares Held	% of Shareholding
A.	**Promoter's Holding**		
1	**Promoters:**		
	Indian Promoters: (Promoters, their relatives and companies under their control)	21,025,878	45.63
	Foreign promoters:	-	-
2	**Persons acting in concert:**	-	-
	Sub Total (A)	21,025,878	45.63
B.	**Public Shareholding:**		
3	**Institutional Investors:**		
	a) Financial Institutions	-	-
	b) Bank	56,994	0.12
	c) Foreign Portfolio Investors	2,388,058	5.18
4	**Non-Institutional Investors:**		
	a) Corporate bodies	1,783,011	3.87
	b) Indian public	20,153,153	43.74
	c) NRIs	531,018	1.15
	d) Clearing Members	72,217	0.16
	e) Directors	200	0.00
	f) NBFCs	6,263	0.01
	g) Trusts	1,210	0.00
	h) IEPF	60,535	0.13
	Sub Total (B)	**25,052,659**	**54.37**
	GRAND TOTAL (A+B)	**46,078,537**	**100.00**

Notes: Total foreign shareholding is 2,919,076 shares, i.e. 6.33% of the total share capital



■	Indian Promoters	**45.63**
■	Institutional Investors	**5.30**
■	Corporate Bodies	**3.87**
■	Indian Public	**43.74**
■	NRI's	**1.15**
■	Clearing Members	**0.16**
■	Directors	**0.00**
■	NBFC & Trusts	**0.01**
■	IEPF	**0.13**

17.12 Statutory Compliance:

During the year under review, your Company has generally complied with the applicable provisions, filed all returns / forms and furnished all relevant particulars as required under the Companies Act, 2013 and allied Acts and Rules, the Securities and Exchange Board of India (SEBI) Regulations and the Listing Agreements with Stock Exchanges under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

17.13.1 Employee Stock Option Scheme (ESOP)

As on 31st March 2019, none of the stock options under ESOP scheme 2009 and ESOP scheme 2010 were in force as the tenure of both the ESOP schemes have expired and are closed. During the tenure of the said schemes, none of the options were exercised by any of the eligible employees / Directors to whom options were granted.

17.13.2 Global Depository Receipts (GDRs): NIL

17.14 Corporate Identity Number of the Company as allotted by Ministry of Corporate Affairs is L29142TN1988PLC015586. Your Company is registered in state of Tamil Nadu.

17.15 Credit ratings obtained and any revisions thereto for debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad:

There are no credit ratings obtained by the Company.

18 LOCATION OF OFFICES

a. Chennai: Shakti Tower - 1, 7th Floor, Premises E, 766, Anna Salai, Thousand Lights, Chennai -600 002.

b. Mumbai: FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai - 400093.

c. The Company has branch offices at Delhi, Kolkata, Ahmedabad and Hyderabad.

19 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 Agent – M/s. Karvy Fintech Pvt. Ltd.

a. Complaints / grievances, if any, should be addressed to

Hariraj Chouhan
Sr. Vice President & Company Secretary

63 moons technologies limited

FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai - 400 093.
T: +91 22 6686 8010 | F: +91 22 67250257 | E: info@63moons.com

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

Investor Relations Department

63 moons technologies limited

FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai - 400 093.
T: +91 22 6686 8010 | F: +91 22 67250257 | E: info@63moons.com

20 UNCLAIMED DIVIDEND / SHARES

Pursuant to the provisions of Section 124 of the Companies Act, 2013, 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 125 of the Companies Act, 2013.

In accordance with Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the Rules), as amended, the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall be transferred to the demat account of IEPF Authority. Accordingly, the Company had sent notices to all shareholders whose shares were due to be transferred to the IEPF Authority and published requisite advertisement in newspaper. However, the unclaimed dividend and shares transferred to IEPF Authority can be claimed by the shareholders from the IEPF Authority after following due procedure as prescribed in the Rules.

The Company has appointed a Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company www.63moons.com/investors/shareholders/unclaimed-dividend-equity-shares.aspx

The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 27th September, 2018 (date of last AGM) on the Company's website www.63moons.com/investors/shareholders/unclaimed-dividend-equity-shares.aspx.

In terms of Regulation 34(3) read with Schedule V, there are no equity shares lying in Suspense Account.

During the year under review, your Company transferred amount relating to unpaid and unclaimed dividend to Investor Education and Protection Fund (IEPF) as per the table below:

Financial Year	Nature	Amount of unclaimed dividend transferred (in ₹)	Number of Shares transferred
2011-12	1st Interim (Q1)	222,290	3,582
2010-11	Final	211,762	861
2011-12	2nd Interim (Q2)	246,912	640
2011-12	3rd Interim (Q3)	241,472	1,277

Shareholders of the Company who have either not received or have not encashed their dividend warrants, for Final Dividend 2011-12, Interim and Final Dividend 2012-13, Interim and Final Dividend 2013-14, Interim Dividend 2014-15 and 1st Interim Dividend 2015-16 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 2011-12	100%	27th September 2012	02nd December 2019
1st Interim Dividend 2012-13	100%	06th August 2012	11th October 2019
2nd Interim Dividend 2012-13	100%	31st October 2012	05th January 2020
3rd Interim Dividend 2012-13	100%	28th January 2013	03rd April 2020
1st Interim Dividend 2013-14	100%	30th July 2013	03rd October 2020
2nd Interim Dividend 2013-14	100%	29th November 2013	02nd February 2021
3rd Interim Dividend 2013-14	100%	14th February 2014	20th April 2021
Final Dividend 2012-13	100%	21st February 2014*	27th April 2021
1st Interim Dividend 2014-15	100%	13th August 2014	17th October 2021
Final Dividend 2013-14	100%	23rd September 2014	27th November 2021
2nd Interim Dividend 2014-15	250%	12th November 2014	16th January 2022

Particulars	Rate of Dividend	Date of Declaration	Due for Transfer on or before
3rd Interim Dividend 2014-15	250%	05th February 2015	11th April 2022
1st Interim Dividend 2015-16	250%	08th August 2015	12th October 2022

*Declared at the Adjourned AGM of the Company

21 UPDATION OF PAN AND KYC DETAILS

SEBI vide circular dated April 20, 2018 has mandated registration of PAN and bank account details for all security holders. The Company has sent letters to all shareholders holding shares in physical form and has requested them to submit their PAN and bank account details to Company's Registrar and Share Transfer Agent. Similarly, shareholders holding shares in demat form are requested to submit the aforesaid information to their respective depository.

22 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 confirmed 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.

23 SECRETARIAL AUDIT FOR FY 2018-19

Pursuant to Section 204 of the Companies Act, 2013, your Company has appointed M/s BNP & Associates, Practising Company Secretaries, to conduct Secretarial Audit for the financial year 2018-19. The Secretarial audit includes audit of compliance with the Companies Act, 2013, and the Rules made under the Act, Listing Regulations and Guidelines prescribed by the Securities and Exchange Board of India and any other applicable laws. The observations made by the Secretarial Auditor are provided in the Directors Report.

24 ANNUAL SECRETARIAL COMPLIANCE REPORT

The company has undertaken an audit for the financial year 2018-19 for all applicable compliances as per SEBI Regulations and Circulars / Guidelines issued thereunder. The Annual Secretarial Compliance Report has been submitted to the stock exchanges within 60 days of the end of the financial year.

25 INFORMATION ON DIRECTORS APPOINTMENT/RE-APPOINTMENT

Detailed information on Directors appointment / re-appointment as required under Regulation 36(3) of the Listing Regulations and Secretarial Standards on General Meetings are mentioned in the AGM Notice.

Place : Mumbai
Date : August 09, 2019

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

To the Members of

63 moons technologies limited

I hereby declare that all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended March 31, 2019.

For 63 moons technologies limited

S. Rajendran
Managing Director & CEO
(DIN: 02686150)

Place : Mumbai
Date : August 09, 2019

CERTIFICATION OF FINANCIAL STATEMENTS OF THE COMPANY BY THE MANAGING DIRECTOR & CEO AND THE WHOLE TIME DIRECTOR & CHIEF FINANCIAL OFFICER (CFO)

We, Soundaram Rajendran, Managing Director & CEO, and Devendra Agrawal, Whole-time Director & CFO, certify that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2019 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, if any, in internal control over financial reporting during the year;
   ii. significant changes, if any, 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.

S. Rajendran
Managing Director & CEO
(DIN: 02686150)

Devendra Agrawal
Whole-time Director & CFO
(DIN: 03579332)

Place : Mumbai
Date : May 27, 2019

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
63 Moons Technologies Limited
FT Tower, CTS No.256 & 257,
Suren Road, Chakala,
Andheri East, Mumbai- 400093

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of 63 Moons Technologies Limited having CIN L29142TN1988PLC015586 and having registered office at Shakti Tower-1, 7th Floor, Premises E, 766, Anna Salai, Thousand Lights, Chennai TN 600002 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company (*)
1.	Mr. Venkat Chary	00273036	10/10/2013
2.	Mr. Rajan Jodhraj Kochar	06710558	10/10/2013
3.	Mr. Deepak Verma	07489985	21/12/2016
4.	Mr. Achudanarayanan Nagarajan	02107169	25/10/2013
5.	Mrs. Chitkala Zutshi	07684586	21/12/2016
6.	Mr. Suresh Bhimrao Salvi	07636298	14/10/2016
7.	Mr. Sunil Hasmukhlal Shah	02569359	20/11/2014
8.	Mr. Chandrasekhar Kanekal	06861358	27/09/2017
9.	Mr. Devender Singh Rawat	02587354	12/02/2019
10.	Mr. Devendra Kumar Agrawal	03579332	27/05/2017
11.	Mr. Rajendran Soundaram	02686150	29/11/2013

Note: (*) The date of appointment is as per the date reflected in MCA records.

Ensuring the eligibility of / for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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 affairs of the Company.

For BNP & Associates
Company Secretaries
[Firm Registration. No. P2014MH037400]

Avinash Bagul
Partner
FCS No: 5578 / C P No: 19862

Date : 12th July, 2019
Place : Mumbai

Independent Auditors' certificate on compliance with the Corporate Governance requirements under SEBI [Listing Obligation and Disclosure Requirements] Regulation, 2015

To the members of 63 moons technologies limited

1. We have examined the compliance of conditions of corporate governance by **63 moons technologies limited** ("the Company"), for the year ended on 31 March 2019, as stipulated in regulation 17 to 27, clause (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("SEBI Listing Regulations").

Management's responsibility for compliance with the conditions of SEBI Listing Regulations.

2. The compliance of conditions of Corporate Governance is the responsibility of management. This responsibility includes the design, implementation and maintenance of internal control to ensure compliance with the conditions of corporate governance stipulated in the SEBI Listing Regulations, including preparation and maintenance of all relevant supporting records and documents.

Auditors' responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither audit nor an expression of opinion on the financial statements of the Company.

4. We have examined the books of accounts and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with corporate governance requirements by the Company for the year ended 31 March 2019.

5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ("the ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. In our opinion and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of corporate governance as specified in regulation 17 to 27, clause (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations, as applicable during the year ended 31 March 2019.

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

Restriction on use

9. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirements of aforesaid SEBI Listing Regulations and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

UDIN: 19047751AAAACY6158

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

Pramod Bhise
Partner
Membership No.: (F) 047751

Mumbai, 9 August 2019

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STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the members of 63 moons technologies limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

QUALIFIED OPINION

We have audited the accompanying standalone financial statements of **63 moons technologies limited** (hereinafter referred as "the Company"), which comprise the balance sheet as at 31 March 2019, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, *except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report,* the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (hereinafter referred as "the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended (hereinafter referred as "Ind AS") and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31 March 2019, and its profit / loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

BASIS FOR QUALIFIED OPINION

Note no. 58, 59, 60 and 61 form basis for our qualified opinion. As stated by the Management of the Company in Note 58 to the standalone financial statements, Civil Suits have been filed against the Company in relation to event occurred on NSEL's trading platform. These matters are pending at various stages of adjudication. As stated in the said note, the Management of the Company does not foresee that the parties who have filed Civil Suits would be able to sustain any claim against the Company. In addition, as stated by the management in note 58, 59, 60 and 61 to the standalone financial statements, there are First Information Reports / complaints / letters / orders / notices registered / received against various parties including the Company from / with the Economic Offences Wing of the Mumbai Police (EOW), Central Bureau of Investigation (CBI), Home Department - Government of Maharashtra under MPID Act, the Directorate of Enforcement and the Serious Fraud Investigation Office (SFIO), closure report etc. Above matters are pending at various stages of adjudication / investigation.

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

In the light of the above representations regarding the ongoing investigations and matters, the outcome of which is not known and is uncertain at this stage, we are unable to comment on the consequential impact in respect of the same on the standalone financial statements for the year ended 31 March 2019.

We conducted our audit in accordance with the Standards on Auditing (hereinafter referred as "SAs") specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's responsibilities for the audit of the standalone financial statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

EMPHASIS OF MATTERS

A. We draw attention to Note 57 to the standalone financial statements. Government of India has filed the Company Petition before the Principal Bench of the Company Law Board, under the Companies Act, 1956, seeking inter alia removal and supersession of the Board of Directors of the Company. The matter is pending before National Company Law Appellate Tribunal ("NCLAT") and is currently sub-judice.

B. We draw attention to Note 49 to the standalone financial statements, regarding utilisation of unexpired MAT credit entitlement by the Company. The Company has a total MAT credit entitlement of ₹ 8,950.29 lakhs as at 31 March 2019. 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 opinion is not qualified in respect these matters of emphasis.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements taken as a whole, in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the key audit matters as described below:

A. Determination of fair value of carrying amounts of investments

B. Accounting treatment for contracts with customer

C. Contingent liabilities

INDEPENDENT AUDITOR'S REPORT

To the members of 63 moons technologies limited

A. Determination of fair value of carrying amounts of investments

Description of key audit matter

The company has investments net of provision of ₹ 1,19,421.29 lakhs as at 31 March 2019 consisting of Investments in the equity instruments of subsidiaries, third party bonds, mutual funds, other equity instruments etc. and are valued as per Ind AS 109, "Financial instruments". By their nature, these are subjected to various factors related to respective investee entities including but not limited to, economic factors, business dynamics, financial performance etc and impact a fair valuation of these investments. Accordingly, this necessitates a close monitoring by the management of these situations and judgement, based on appropriate evaluation criteria to arrive at a fair value of carrying amounts of these assets as at balance sheet date. Against this background, this matter was of significance in the context of our audit.

Description of Auditor response

We have carried out a comparison between carrying value of investment as at balance sheet date and net-worth as reflected by latest audited financials of investee companies. Wherever carrying amount of investment is more than the net-worth of investee company we have discussed and enquired with the management the process followed by them to identify permanent diminution, if any, in the value of investment and necessary accounting treatment adopted in the books. In addition, management has provided us with the future business plans and how in their business judgement such gap between investment and net-worth of the investee is either compensated with improving business conditions or valuations of such entities. In case of business valuations carried out by third party professionals and provided to us by the management of some of the investee companies, we have verified reasonableness of the assumptions, source data considered etc. while arriving at valuation. Going forward our regular audit procedures are designed to keep a follow up on outcomes of these management assertions.

B. Accounting treatment for contracts with customer

Description of key audit matter

Revenue amounting to ₹ 14,719.07 lakhs reported in the company's financial statements pertains to customer specific contracts and the same are required to satisfy the recognition and measurement criteria as prescribed in IND AS 115, 'Revenue from Contracts with Customers'. Company's revenue is bifurcated into two main parts (a) revenue from software products (IPR based licenses) and (b) revenue from software services. Certain contracts necessarily involve estimations and certain assumptions to be made by the management in determining the quantum of revenue to be recognised in specific period. This inherently creates certain uncertainties and results in complexities in accounting treatment wherein incorrect assumptions and estimates can lead to revenue being recognised in incorrect accounting periods thereby impacting the results. Considering these factors, in the context of our audit this matter was of significance and hence a key audit matter.

Description of Auditor's response

With a view to verify the reasonableness of the revenue accounting we carried out following procedures:

a) Understanding the internal control environment for revenue recognition and to test check with a view to verify its operating effectiveness;

b) Major contracts were read and analysed to verify correctness of accounting of revenue as calculated by the Company's Management;

c) Discussed with the management process of identification of variable consideration and verified the working on test basis;

d) Verified the working of unbilled revenue and unearned revenue on test basis;

e) Performed analytical procedures and obtained reasons for major variances;

f) Ensured that revenue is recognized in accordance with accounting policy of the Company and Ind AS 115;

C. CONTINGENT LIABILITIES

Description of key audit matter

Contingent liabilities as at 31 March 2019 amounted to ₹ 23,001.67 lakhs, which mainly include pending income-tax matters and certain legal cases other than those forming basis for our qualified opinion. Contentious income tax matters relate to interpretational differences between the company and various tax authorities, certain matters subjected to internal circulars and guidelines within tax authorities irrespective of stated legal provisions sometimes requiring decision making only by higher tax authorities through appellate procedures resulting in delays in outcome. Given the current legal and operational embargo that the company is facing, it is subjected the multiple litigations by and on the company sub-judice at various courts and levels requiring the Company's Management to exercise significant judgement on these outcomes to determine the liabilities that are contingent in nature. Considering these factors, in the context of our audit, this matter was of significance and hence a key audit matter.

Description of Auditor's response

With a view to ensure that disclosures made by the company in Note no. 31 are determined appropriately and prudently, we obtained information of pending income-tax matters from the Company and have obtained / verified the documents including the communication with the departments provided by the Company. In addition, we have carried out comparison with respect to previous year and obtained / reviewed documentation for additional tax matters arisen during the year. Our tax team has carried out discussions with the Company's internal tax team on these cases mainly with respect to issues raised by various tax authorities in their communication to the company to substantiate company's assessment that there are no present obligations perceived.

INDEPENDENT AUDITOR'S REPORT

To the members of 63 moons technologies limited

With respect to legal cases disclosed to us, we have obtained updates on pending cases from the management and discussed it with the Company's internal legal department, wherever necessary. We carried out a comparison between the latest status and immediate previous status. While comparing, we have tried to ascertain the appropriateness, without being judgemental, of the management judgement exercised in updating to the latest status and have tried to evaluate an impact on such ascertainment of whether the company liabilities to which it is contingently liable are appropriately ascertained with prudence principle.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON (HEREINAFTER REFERRED AS "OTHER INFORMATION")

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Directors' Report including any annexures thereto, Corporate Governance Report and Management Discussion and Analysis, but does not include the standalone financial statements and our auditor's report thereon.

These reports are expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read these reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable as per applicable laws and regulations.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, Company's Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

A. Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

B. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls

C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

D. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT

To the members of 63 moons technologies limited

E. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the **"Annexure A"**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143 (3) of the Act and based on our audit, we report that:
   a) We have sought and 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 (including other comprehensive income), statement of changes in equity and the statement of cash flows dealt with by this report are in agreement with the books of account;
   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
   e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of section 164(2) of the Act;
   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**; our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
   g) With respect to the other matters to be included in the auditor's report in accordance with the requirements of section 197(16) of the Act, as amended, we report that in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
   h) With respect to the other matters to be included in the auditor's report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations as at 31 March 2019 on its standalone financial statements, *to the extent it is ascertainable* [Refer Note 31 to the standalone Ind AS financial statements and 'Basis for Qualified Opinion'].
      ii. The Company does not have any outstanding long-term contracts including derivative contracts as on 31 March,2019.
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Sharp & Tannan Associates,
Chartered Accountants
Firm's Registration No.: 109983W

Tirtharaj Khot
Partner
Membership No.: (F) 037457

Mumbai: 27 May 2019

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 under the heading, "Report on Other Legal and Regulatory Requirements" of our report on even date:

i) In respect of the Company's property, plant & equipment (fixed assets)

a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of all fixed assets.

b) as explained to us fixed assets are being physically verified by the management which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. The frequency of physical verification is reasonable and no material discrepancies were noticed on such verification.

c) the title deeds of immovable properties are held in the name of the Company.

ii) According to the process explained to us and as followed by the Company, the Company's inventory items are directly delivered to its customers on their procurement. Accordingly, reporting on paragraph 3(ii) of the Order is not applicable.

iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, reporting on paragraph 3(iii) of the Order is not applicable.

iv) In respect of loans, investments, guarantees and security, provisions of section 185 and section 186 of the Act have been complied with, to the extent applicable.

v) According to information and explanation provided to us, the Company has not accepted deposits from the public and accordingly, reporting on para 3(v) of the Order is not applicable.

vi) Maintenance of cost records has not been specified by the Central government under section 148(1) of the Act. Accordingly reporting on paragraph 3 (vi) of the Order is not applicable.

vii) a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, cess and any other material statutory dues as applicable with the appropriate authorities. According to the information and explanation given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, cess and any other material statutory dues as at 31 March 2019 for a period of more than six months from the date they became payable.

b) According to the information and explanation given to us and the records of the Company examined by us, the particulars of service tax, excise duty and sales tax as at 31 March 2019 which have not been deposited because of any dispute except the following:

Name of the Statue	Nature of the disputed dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where disputes are pending
Finance Act, 1994	Tax, penalty and interest	165.92	2007-08	Commissioner of Service Tax
Central Excise Act, 1944	Tax, penalty and interest	257.43	2005-06	Superintendent Central Excise
Income Tax Act, 1961	Tax, penalty and interest	2572.82	2010-11	Commissioner of Income Tax Appeals

viii) According to the records of the Company examined by us and the information and explanation given to us, during the year the Company has not defaulted in repayment of loans or borrowings to any bank. The Company has not availed any loans or borrowings from financial institution, government and debenture holder.

ix) According to information and explanation given to us, no money has been raised by way of further public offer (including debt instruments) however term loan being external commercial borrowing has been applied for the purpose for which they were raised.

x) *Except for the matters(s) referred in the 'Basis for Qualified Opinion' of our audit report which are sub-judice and hence are inconclusive,* to the best of our knowledge and information and explanations given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

xi) Managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii) The Company is not a Nidhi Company. Accordingly, reporting on para 3(xii) is not applicable.

xiii) All transactions with related parties are in compliance with Sections 177 and 188 of the Act and the details have been disclosed in the standalone financial statements as required by the applicable accounting Standards.

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 under the heading, "Report on Other Legal and Regulatory Requirements" of our report on even date:

xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review, accordingly, reporting on paragraph 3 (xiv) of the Order.

xv) The Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, reporting on paragraph 3 (xv) of the Order is not applicable.

xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting on paragraph 3 (xvi) of the Order is not applicable.

For Sharp & Tannan Associates,
Chartered Accountants
Firm's Registration No.: 109983W

Tirtharaj Khot
Partner
Membership No.: (F) 037457

Mumbai: 27 May 2019

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2(f) under the heading, "Report on other legal and regulatory requirements" of our report on even date:

REPORT ON THE INTERNAL FINANCIAL CONTROLS [UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")]

OPINION

We have audited the internal financial controls over financial reporting of **63 moons technologies limited** (hereinafter referred as "the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (hereinafter referred as "the guidance note") issued by the Institute of Chartered Accountants of India (hereinafter referred as "ICAI").

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the guidance note and the SAs issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2(f) under the heading, "Report on other legal and regulatory requirements" of our report on even date:

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Sharp & Tannan Associates,
Chartered Accountants
Firm's Registration No.: 109983W

Tirtharaj Khot
Partner
Membership No.: (F) 037457

Mumbai: 27 May 2019

BALANCE SHEET

as at March 31, 2019

(₹ in lakhs)

Particulars	Note	As at 31.03.2019	As at 31.03.2018
ASSETS			
Non-current assets			
Property, Plant and Equipment	5	23,560.17	24,351.12
Capital work-in-progress		-	346.03
Investment Property	6	11,079.03	10,481.87
Other Intangible assets	7	464.65	158.76
Financial Assets			
i. Investments	8	1,03,612.44	1,09,683.20
ii. Loans	9	41.84	50.99
iii. Other financial assets	10	11,566.52	11,553.71
Deferred tax assets (net)	19	128.34	261.81
Other non-current assets	11	16,251.87	15,924.25
TOTAL NON-CURRENT ASSETS		**1,66,704.86**	1,72,811.74
Current assets			
Financial assets			
i. Investments	8	15,808.85	61,352.34
ii. Trade receivables	12	2,628.30	2,064.07
iii. Cash and cash equivalents	13	1,173.26	42,411.22
iv. Bank Balances other than (iii) above	14	96,395.90	14,300.37
v. Loans	9	521.28	518.60
vi. Other financial assets	10	5,260.94	8,300.35
Current tax assets (Net)	19	1,272.56	374.16
Other current assets	11	4,705.85	4,208.08
TOTAL CURRENT ASSETS		**1,27,766.94**	1,33,529.19
TOTAL ASSETS		**2,94,471.80**	3,06,340.93

BALANCE SHEET (CONTD.)

as at March 31, 2019

(₹ in lakhs)

Particulars	Note	As at 31.03.2019	As at 31.03.2018
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	15	921.57	921.57
Other equity		2,84,667.73	2,85,654.17
TOTAL EQUITY		**2,85,589.30**	2,86,575.74
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
i. Other financial liabilities	17	180.58	-
Provisions	18	450.64	472.09
Other non-current liabilities	20	3.15	100.98
TOTAL NON-CURRENT LIABILITIES		**634.37**	573.07
Current liabilities			
Financial liabilities			
i. Current portion of long term borrowings	16	-	10,114.36
ii. Trade payables	21		
- Due to micro and small enterprises		63.26	20.41
- Due to others		560.24	531.15
iii. Other financial liabilities	17	5,756.43	4,904.38
Other current liabilities	20	1,449.62	3,279.41
Provisions	18	418.58	342.41
TOTAL CURRENT LIABILITIES		**8,248.13**	19,192.12
TOTAL LIABILITIES		**8,882.50**	19,765.19
TOTAL EQUITY AND LIABILITIES		**2,94,471.80**	3,06,340.93
See accompanying notes forming part of the financial statements 1 to 63			

In terms of our report attached
For Sharp & Tannan Associates,
Chartered Accountants
(Firm's Registration No.: 109983W)
by the hand of

Tirtharaj Khot
Partner
Membership No.: (F) 037457

Place : Mumbai
Date : May 27, 2019

For and on behalf of the Board

Venkat R Chary
Chairman
DIN - 00273036

S. Rajendran
Managing Director & CEO
DIN - 02686150

Hariraj Chouhan
Company Secretary

Devendra Agrawal
Whole-time Director & CFO
DIN - 03579332

Place : Mumbai
Date : May 27, 2019

STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2019

(₹ in lakhs)

Particulars	Note	Year Ended 31.03.2019	Year Ended 31.03.2018
CONTINUING OPERATIONS			
Revenue from operations	22	14,719.07	22,671.54
Other income (net)	23	16,007.73	20,167.08
TOTAL INCOME		**30,726.80**	42,838.62
EXPENSES			
Employee benefits expense	24	10,519.34	10,054.03
Finance costs	25	410.17	722.55
Depreciation and amortisation expenses	26	1,811.89	2,216.30
Other expenses	27	15,862.42	14,714.79
TOTAL EXPENSES		**28,603.82**	27,707.67
Profit before exceptional item and tax		**2,122.98**	15,130.95
Exceptional items	28	(1,027.13)	(8,157.58)
Profit before tax		**1,095.85**	6,973.37
Tax expense / (credit)			
Current tax	19	940.07	6,408.61
Deferred tax	19	146.52	(1,073.00)
TOTAL TAX EXPENSE		**1,086.59**	5,335.61
Profit for the year		**9.26**	1,637.76
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability / asset		(24.65)	46.76
Items that will be reclassified subsequently to profit or loss			
Loss on reclassification of financial assets from amortised cost to fair value		-	1,454.83
Total Other Comprehensive Income (net of tax)		**(24.65)**	1,501.59
Total Comprehensive Income for the year		**(15.39)**	3,139.35
Earnings per share:	37		
Basic and Diluted per share (in ₹)		0.02	3.55
Face Value per share (in ₹)		2.00	2.00
See accompanying notes forming part of the financial statements 1 to 63			

In terms of our report attached

For Sharp & Tannan Associates,
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DIN - 03579332

Place : Mumbai
Date : May 27, 2019

STATEMENT OF CHANGES IN EQUITY

(₹ in lakhs)

Particulars	EQUITY SHARE CAPITAL	RESERVES AND SURPLUS						OTHER COMPRE-HENSIVE INCOME	TOTAL OTHER EQUITY	TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY
		Capital Reserve	Securities Premium Reserve	General Reserve	FCMITDA*	Share Options Out-standing Account	Retained Earnings			
Balance at April 01, 2017	**921.57**	**147.59**	**41,746.62**	**30,197.90**	**(196.34)**	**2,381.96**	**2,10,816.56**	**(1,526.65)**	**2,83,567.65**	**2,84,489.22**
Changes in equity for the year ended March 31, 2018										
Transfer from Share options outstanding account	-	-	-	2,222.07	-	-	-	-	2,222.07	2,222.07
Transfer to general reserve	-	-	-	-	-	(2,222.07)	-	-	(2,222.07)	(2,222.07)
Dividends (including corporate dividend tax)	-	-	-	-	-	-	(1,109.18)	-	(1,109.18)	(1,109.18)
Effect of foreign exchange rate variation and amortisation during the year	-	-	-	-	56.39	-	-	-	56.39	56.39
Gains / (losses) on remeasuring available-for-sale financial assets, net of tax	-	-	-	-	-	-	-	1,454.79	1,454.79	1,454.79
Remeasurement of The Net Defined Benefit Liability / Asset	-	-	-	-	-	-	-	46.76	46.76	46.76
Profit for the year	-	-	-	-	-	-	1,637.76	-	1,637.76	1,637.76
Balance at March 31, 2018	**921.57**	**147.59**	**41,746.62**	**32,419.97**	**(139.95)**	**159.89**	**2,11,345.14**	**(25.10)**	**2,85,654.17**	**2,86,575.74**
Balance at April 01, 2018	**921.57**	**147.59**	**41,746.62**	**32,419.97**	**(139.95)**	**159.89**	**2,11,345.14**	**(25.10)**	**2,85,654.17**	**2,86,575.74**
Changes in equity for the year ended March 31, 2019										
Transfer from Share options outstanding account	-	-	-	159.89	-	-	-	-	159.89	159.89
Transfer to general reserve	-	-	-	-	-	(159.89)	-	-	(159.89)	(159.89)
Dividends (including corporate dividend tax)	-	-	-	-	-	-	(1,111.00)	-	(1,111.00)	(1,111.00)
Effect of foreign exchange rate variation and amortisation during the year	-	-	-	-	139.95	-	-	-	139.95	139.95
Remeasurement of The Net Defined Benefit Liability / Asset	-	-	-	-	-	-	-	(24.65)	(24.65)	(24.65)
Profit for the year	-	-	-	-	-	-	9.26	-	9.26	9.26
Balance at March 31, 2019	**921.57**	**147.59**	**41,746.62**	**32,579.86**	**-**	**-**	**2,10,243.40**	**(49.75)**	**2,84,667.73**	**2,85,589.30**

*Foreign currency monetary item translation difference account (FCMITDA)

NATURE AND PURPOSE OF RESERVES

Capital Reserve: During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve.

Securities Premium Reserve: The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve.

General Reserve: General Reserve was created by transferring a portion of the net profit of the Company as per the requirements of the Companies Act, 1956.

Foreign currency monetary item translation difference account (FCMITDA): The unamortised amount of exchange difference arising on translation of long term foreign currency monetary items.

Share options outstanding account: The fair value of the equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding Account.

Retained earnings: Remaining portion of profits earned by the Company till date after appropriations.

In terms of our report attached
For Sharp & Tannan Associates,
Chartered Accountants
(Firm's Registration No.: 109983W)
by the hand of

Tirtharaj Khot
Partner
Membership No.: (F) 037457

Place : Mumbai
Date : May 27, 2019

For and on behalf of the Board

Venkat R Chary
Chairman
DIN - 00273036

S. Rajendran
Managing Director & CEO
DIN - 02686150

Hariraj Chouhan
Company Secretary

Devendra Agrawal
Whole-time Director & CFO
DIN - 03579332

Place : Mumbai
Date : May 27, 2019

CASH FLOW STATEMENT

for the year ended March 31, 2019

(₹ in lakhs)

Particulars	Year Ended 31.03.2019		Year Ended 31.03.2018	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit / (Loss) before tax		**1,095.85**		6,973.37
Adjustments for:				
Depreciation and amortisation expense	1,811.89		2,216.30	
(Gain) / Loss on Fair Valuation of Financial Assets at fair value through profit or loss	(570.26)		(1,848.84)	
Allowance for credit loss on loans to subsidiaries made earlier written back	(450.00)		-	
Provisions / liabilities no longer required written back	(4.58)		(27.58)	
Fair value loss reclassification from OCI on sale of financial asset	-		1,881.06	
Impairment of bonds	-		3,145.92	
Allowance for expected credit loss on investment in subsidiaries	1,477.13		6,311.66	
Bad debts / advances written off (net of provision held)	1,627.80		4.07	
Provision for doubtful trade receivables	18.18		255.73	
Balances Written Back	-		(28.87)	
Finance costs	410.17		722.56	
Net unrealised exchange loss	1,183.86		159.12	
Interest income	(14,784.06)	(9,279.87)	(18,733.57)	(5,942.44)
Operating profit before working capital changes		**(8,184.02)**		1,030.93
Changes in working capital:				
Adjustments for:				
Trade receivables, loans, other financial assets and other assets	(927.51)		484.15	
Trade payables, other financial liabilities, other liabilities and provision	(1,607.68)	(2,535.19)	(2,024.67)	(1,540.52)
Cash used in operations		**(10,719.21)**		(509.59)
Net Income Tax paid		-		-
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		**(10,719.21)**		(509.59)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure on Property, plant and equipment and other Intangible assets including capital advances		(1,596.73)		(1,109.20)
Partial amount released from balance in escrow account created on sale of shares in subsidiary company		-		1,300.00
Purchase of stake in subsidiaries		(2,524.69)		(3,580.50)
Purchase of Financial assets - others		-		(30,311.00)
Proceeds from sale of Financial assets - others		52,733.96		94,285.60
Bank deposits not considered as Cash and cash equivalents				
- Placed		(2,02,588.21)		(49,648.96)
- Matured		1,20,461.09		42,426.60
Interest income		16,582.30		20,478.45
Loans repaid by subsidiary companies		450.00		-
Cash flow from investing activities		**(16,482.28)**		73,840.99
Income tax paid		(2,262.93)		(2,229.88)
NET CASH FLOW FROM INVESTING ACTIVITIES (B)		**(18,745.21)**		71,611.11

CASH FLOW STATEMENT (CONTD.)

for the year ended March 31, 2019

(₹ in lakhs)

Particulars	Year Ended 31.03.2019		Year Ended 31.03.2018	
C. CASH FLOW FROM FINANCING ACTIVITIES				
Repayment of External Commercial Borrowings		(11,158.85)		(39,743.36)
Tax on dividend		(189.43)		(187.61)
Finance costs		(425.26)		(962.91)
NET CASH USED IN FINANCING ACTIVITIES (C)		**(11,773.54)**		(40,893.88)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A + B + C)		**(41,237.96)**		30,207.64
Cash and cash equivalents (opening balance)		45,438.39		15,230.75
Cash and cash equivalents (closing balance)		4,200.43		45,438.39

Notes to cash flow statement:

1. Cash and cash equivalents include cash and bank balances in current and deposit accounts, with original maturities not exceeding three months. Reconciliation of bank balances with cash and cash equivalents is as follows

(₹ in lakhs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Cash and Cash equivalents	1,173.26	42,411.22
Other Bank Balance in current account (Refer Note 59)	3,027.17	3,027.17
Cash and Cash equivalents	**4,200.43**	45,438.39

2. Debt Reconciliation Statement in accordance with Ind AS 7

(₹ in lakhs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Opening Balances - long term borrowings	10,114.36	49,763.62
Foreign exchange movement	1,044.49	94.10
Repayment	(11,158.85)	(39,743.36)
Closing Balance - long term borrowings	-	10,114.36

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. Total income tax paid (net of refunds), during the year ₹ 2,262.93 lakhs (Previous Year ₹ 2,229.88 lakhs)
5. Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transac tions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows.
6. The amount of corporate social responsibility (CSR) related expenses spent during the year in cash ₹ 151.60 lakhs (Previous Year ₹ 387.95 lakhs) (Refer Note No. 50)
7. Previous year's figures have been regrouped / reclassified wherever applicable.

In terms of our report attached

For Sharp & Tannan Associates,
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by the hand of

Tirtharaj Khot
Partner
Membership No.: (F) 037457

Place : Mumbai
Date : May 27, 2019

For and on behalf of the Board

Venkat R Chary
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DIN - 02686150

Devendra Agrawal
Whole-time Director & CFO
DIN - 03579332

Place : Mumbai
Date : May 27, 2019

NOTES

forming part of the Financial Statements for the year ended March 31, 2019

1 COMPANY OVERVIEW

63 moons technologies limited (the 'Company') is a public limited company incorporated and domiciled in India. The Company's registered office is at Shakti Tower – 1, 7th floor, Premises – E, 766, Anna Salai, Thousand Lights, Chennai – 600 002, Tamilnadu, India and Corporate office at FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai – 400 093, Maharashtra, India.

The principal activity of the company is that of Computer Programming, Consultancy and related services. The Company, is among the global leaders in offering technology IP (Intellectual Property) and domain expertise to create and trade on next-generation financial markets, that are transparent, efficient and liquid, across all asset classes including equities, commodities, currencies and bonds among others. The Company is pioneer in end to end Straight Through Processing (STP) solution that 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.

2 BASIS OF PREPARATION

2.1 Statement of compliance and Basis of Preparation

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the 2013 Act") read with the Companies (Indian Accounting Standards) Rules, 2015, subsequent amendments there to and the relevant provisions of the 2013 Act.

The financial statements have been prepared on accrual basis using the historical cost measurement except for the following material items that have been measured at fair value as required by relevant Ind AS:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- Share based payment transactions
- Defined benefit and other long-term employee benefits

The accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These Ind-AS compliant financial statements were approved by the Board of Directors on dated May 27, 2019.

2.2 Functional and Presentation Currency

These Separate financial statements are presented in Indian Rupees, which is the Company's functional currency. All amounts have been rounded off to the nearest lakhs, unless otherwise indicated.

2.3 Use of judgements and estimates

The preparation of the financial statements in conformity with Ind AS requires management to make certain estimates, judgements and assumptions. These affect the application of accounting policies, the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the reporting date of the financial statements and reported amounts of income and expenses during the period. Accounting estimates could change from period to period and the actual results could differ from those estimates. These are reviewed by the management on an on-going basis and appropriate changes in estimates are made prospectively as management becomes aware of changes in circumstances surrounding the estimates. The management believes that the estimates used in preparation of these financial statements are just, prudent and reasonable.

The areas involving critical estimates & judgements are:

Note Reference	Critical Estimates & Judgements
Note 3.14, 11 and 19	Estimation of income taxes, Recognition and utilisation of deferred tax assets and MAT credit entitlement and utilisation.
Note 3.17, 31	Measurement of contingencies key assumptions about the likelihood and magnitude of an outflow of resources.
Note 3.8, 3.9, 3.10 and 29	Assessment of carrying value / fair value of financial instruments.
Note 3.12 and 39	Measurement of defined benefit obligations: key actuarial assumptions.
Note 3.5, 3.6, 3.7, 5, 6 and 7	Estimation of useful life of tangible and intangible assets.

NOTES

forming part of the Financial Statements for the year ended March 31, 2019

3 SIGNIFICANT ACCOUNTING POLICIES

The Company has consistently applied the following accounting policies to all periods presented in these financial statements.

3.1 Revenue

With effect from April 01, 2018, the Company has applied Ind AS 115 Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. The Company has, as permitted by Ind AS 115, opted not to restate contracts with customers that were completed before the date of transition (April 01, 2018). A completed contract is a contract for which the entity has transferred all of the goods or services identified in accordance with Ind AS 18, the previous revenue standard. Ind AS 115 is applied retrospectively only to contracts that are not completed as at 1 April 2018. The effect of application of Ind AS 115 is not material.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration expected to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

The revenue from the sale of software products (IPR based licenses) is recognised on delivery / granting of right to use. In respect of service contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized over time. Revenue from fixed price service contracts is recognised based on acts performed as specified in the contracts 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 is leased. Revenue from sale of goods is recognised on transfer of control over to the goods to the customer. Sales are recorded net of returns (if any), trade discounts, rebates, and goods and service tax. Projected losses, if any, are provided in entirety as per Ind AS based on management's current estimates of cost to completion arrived at on the basis of technical assessment of time and effort required and estimates of future expenditure.

Revenues in excess of invoicing are classified as contract assets (which are referred to as unbilled revenue). Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Invoicing in excess of revenues are classified as contract liabilities (which are referred to as unearned revenues)

3.2 Interest Income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

3.3 Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established.

3.4 Investment Property Rental Income

Rental income from investment property is recognised as revenue on a straight-line basis over the term of the lease and presented as other income. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

3.5 Property, Plant and Equipment

i. Recognition and Measurement

Property, Plant and Equipment (PPE) are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of PPE comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates and any costs directly attributable to bring in the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent expenditure relating to PPE is capitalised only when it is probable that future economic benefits with these will flow to the company and cost of the item can be measured reliably. Repairs & maintenance costs are recognised in Statement of Profit and Loss as and when incurred.

PPE which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress"

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of the asset. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the assets) is recognised in Statement of Profit & Loss.

NOTES

forming part of the Financial Statements for the year ended March 31, 2019

As per Ind AS 101, First Time Adoption of Ind AS, the Company continues to adopt the provisions of para 46 / 46A of Accounting Standard-11, "The Effects of Changes in Foreign Exchange Rates". Accordingly, exchange differences arising on restatement / settlement of long-term foreign currency borrowings as of April 01, 2015 (Date of Transition to Ind AS) relating to acquisition of depreciable assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets and exchange differences not relating to depreciable assets are amortised over remaining tenure of the borrowings.

ii. Subsequent Expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives. Leased assets and leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

Depreciation methods, useful lives and residual values are reviewed annually and the effects of any changes in estimates are accounted for on a prospective basis.

Freehold Land is not depreciated. For others, depreciation has been provided on the basis of estimated useful life as follows.

Assets	Useful Life
Office Equipment	2 to 5 Years
Electrical Installations	10 Years
Computer Hardware	3 to 6 Years
Furniture and Fixtures	5 to 10 Years
Vehicles	8 Years
Building	58 Years
Leasehold improvements	Over lease period

Assets costing upto ₹ 5,000/- are fully depreciated in the year of acquisition.

iv. Reclassification to Investment Property

When the use of a property changes from owner-occupied to investment property, the property is reclassified accordingly.

3.6 Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment, if any. The cost of intangible assets comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates and any costs directly attributable to bring in use. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. Research costs are expensed as incurred. Amortization methods and useful lives are reviewed annually and the effects of any changes in estimates are accounted for on a prospective basis.

The Company amortises intangible assets using the straight-line method over the estimated useful life as follows:

- Patents, copyright and other rights – 8 years
- Computer software – 4 to 6 years

3.7 Investment Property

Investment property is measured at cost less impairment, if any. Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in Statement of Profit and Loss. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is calculated using the straight-line method over their estimated useful lives. Fair value is calculated using discounted cash flow method and other relevant factors, if any. Useful life of the investment property is considered as 58 year or lease period.

3.8 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at recognition.

NOTES

forming part of the Financial Statements for the year ended March 31, 2019

Classification	Initial Recognition	Subsequent Recognition
Non-derivative financial instruments		
a) Financial Assets **at amortised cost:** If it is held within business model where purpose is to hold asset for contractual cash flows that are solely payments of principal and interest on principal outstanding	At fair value including directly attributable transaction costs	Subsequently carried at amortised cost using effective interest rate method less any impairment loss.
b) Financial assets **at fair value through other comprehensive income:** if it is held within business model where purpose is to hold asset for contractual cash flows that are solely payments of principal and interest on principal outstanding and also selling financial assets	At fair value including directly attributable transaction costs.	All changes in value excluding interest are recognised in OCI. Interest is recognised on effective interest rate method in Statement of Profit & Loss.
c) Financial assets **at fair value through statement of profit and loss:** if financial asset is not classified in any of the above categories	At fair value excluding directly attributable transaction costs. Transaction costs are recognised in Statement of Profit and Loss	Fair valued at each subsequent reporting date.
d) Trade Receivable and Loans:	At fair value.	Subsequently held at amortised cost, using the effective interest rate method, net of any expected credit loss.
e) Investment in Subsidiaries	At cost	At cost net of expected credit loss
f) Other Equity Investments	At fair value	And changes through Statement of Profit and Loss.
g) Financial Liabilities	At fair value including directly attributable transaction costs	**At amortised cost:** using effective interest method except certain items.
Derivative financial instruments		
Financial assets or financial liabilities	At fair value	**At fair value through statement of profit and loss:** if financial assets or financial liabilities are not designated as hedges.
Share capital		
	Ordinary shares classified as equity.	Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

Financial assets are reclassified subsequent to their recognition if and in the period the Company changes its business model for managing financial assets.

Derecognition of financial instruments:

A financial asset is derecognised by the Company only when:

- Contractual right to receive cash flows from the assets expires; or
- the Company has transferred the rights to receive cash flows from the financial asset; or
- if the Company has not retained control of the financial asset; or
- the Company has transferred substantially all risks and rewards of ownership of the financial asset.

Any gain or loss on derecognition is recognised in statement of profit and loss including cumulative gain or loss in case of financial assets subsequently valued at fair value through other comprehensive income. In case of financial assets subsequently fair valued through profit or loss, gain or loss is presented on a net basis.

A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires. Any gain or loss on derecognition is recognised in statement of profit and loss.

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3.9 Measurement of Fair Value

Company's accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The Company regularly reviews significant unobservable inputs and valuation adjustments. In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

3.10 Impairment

i. Financial Assets:

For the financial assets which are not fair valued through profit or loss, the Company tests loss allowances using the expected credit loss (ECL) model and recognises, if any.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

ii. Non-financial Assets:

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then asset's / cash generating unit (CGU)'s recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is estimated. An impairment loss is recognised if the carrying amount of an asset / CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized

3.11 Foreign Currency Transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transactions or at rates that closely approximate the rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction and are not retranslated. Foreign currency differences are generally recognised in profit or loss. The Company is continuing the policy adopted as per the previous GAAP for accounting for exchange differences arising from translation of long term foreign currency monetary items and accordingly exchange differences relating to long term monetary items are dealt with in the following manner:

i. Exchange differences arising during the year on settlement / restatement, 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 remaining useful life of such assets.

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 maturity period / upto the date of settlement of such monetary item, whichever is earlier. The unamortised exchange difference is carried under Other Equity as "Foreign Currency Monetary Item Translation Difference Account (FCMITDA)"

3.12 Employee Benefits

i. Short-term Obligations

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.

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ii. Other Long-term Employee Benefit Obligations

Compensated Absences:

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date and recognised in Statement of Profit and Loss. Expense on non-accumulating compensated absences is recognized in the year in which the absences occur.

Defined Benefit Plan

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated at each reporting date by actuaries using the projected unit credit method.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. The amount of net interest expense calculated by applying the liability discount rate to the net defined liability or asset is charged or credited to 'Finance Cost' in Statement of Profit and Loss.

Defined Contribution Plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

iii. Share-based Payment Arrangements

The Company recognizes compensation expense relating to share-based payments in net profit using fair-value in accordance with Ind AS 102, Share-based Payment. The estimated fair value of awards is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding account.

3.13. 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. All other borrowing costs are charged to revenue.

3.14 Income Tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

i. Current Tax

Current tax comprises the expected tax payable or recoverable on the taxable income or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years. The amount of current tax payable or recoverable is the best estimate of the tax amount expected to be paid or received. It is measured using tax rates enacted or substantively enacted at the reporting date. Interest income in respect of income tax is shown under Other Income and interest expenses and penalties, if any, are included in Current Tax Expense. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amount and there is an intention to settle the assets and liabilities on net basis.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company 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. 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 Company will pay normal income tax during the specified period.

ii. Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date

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Deferred Tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, Associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans of the Company and the reversal of temporary differences. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

3.15 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3.16 Provisions

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

3.17 Contingent Liabilities and Contingent Assets

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

3.18 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 the Statement of Profit and Loss unless except where the lease payments are structured to increase in line with expected general inflation.

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower.

3.19 Earning Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax attributable to equity shareholder of the company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax attributable to equity shareholder of the company as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

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4 IND AS ISSUED BUT NOT YET EFFECTIVE

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective subsequent years as mentioned below:

Ind AS 116 – Leases (applicable for annual periods beginning on or after April 1, 2019)

Ind AS 116 – Leases

In January 2016, the IASB issued Ind AS 116 – Leases which sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract and replaces the previous standard on leasing, Ind AS 17 – Leases. Ind AS 116, which is not applicable to service contracts, but only applicable to leases or lease components of a contract, defines a lease as a contract that conveys to the customer (lessee) the right to use an asset for a period of time in exchange for consideration. Ind AS 116 eliminates the classification of leases for the lessee as either operating leases or finance leases as required by Ind AS 17 and instead, introduces a single lessee accounting model whereby a lessee is required to recognise assets and liabilities for all leases with a term that is greater than 12 months, unless the underlying asset is of low value, and to recognise depreciation of leased assets separately from interest on lease liabilities in the income statement. As Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17, a lessor will continue to classify its leases as operating leases or finance leases and to account for those two types of leases differently. Ind AS 116 is effective from April 1, 2019, with early adoption allowed only if Ind AS 115 - Revenue from Contracts with Customers is also adopted.

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5 PROPERTY, PLANT AND EQUIPMENT*

(₹ in lakhs)

Particulars	Freehold Land	Buildings	Improvement to Leasehold Premises	Computer Hardware	Office Equipment**	Furniture and Fixtures	Vehicles	Total
Year ended March 31, 2019								
Gross carrying Value as at April 01, 2018	4,666.60	17,704.00	95.24	5,713.31	6,013.56	4,832.98	733.17	39,758.86
Additions	-	353.45	-	302.77	303.50	80.98	-	1,040.70
Reclassification to investment property	-	(338.49)	-	-	-	-	-	(338.49)
Disposals	-	-	-	-	-	-	-	-
Gross carrying Value as at March 31, 2019	**4,666.60**	**17,718.96**	**95.24**	**6,016.08**	**6,317.06**	**4,913.96**	**733.17**	**40,461.07**
Accumulated depreciation and impairment as at April 01, 2018	-	2,072.57	95.24	4,895.59	4,690.17	3,247.61	406.56	15,407.74
Charged during the year	-	291.03	-	284.39	385.19	474.93	83.71	1,519.25
Reclassification to investment property	-	(26.09)	-	-	-	-	-	(26.09)
Disposals	-	-	-	-	-	-	-	-
Upto March 31, 2019	**-**	**2,337.51**	**95.24**	**5,179.98**	**5,075.36**	**3,722.54**	**490.27**	**16,900.90**
Net carrying amount as at March 31, 2019	**4,666.60**	**15,381.45**	**-**	**836.10**	**1,241.70**	**1,191.42**	**242.90**	**23,560.17**
Year ended March 31, 2018								
Gross carrying Value as at April 01, 2017	4,666.60	17,704.00	95.24	5,247.46	5,834.67	4,824.80	733.17	39,105.94
Additions	-	-	-	465.85	178.89	8.18	-	652.92
Disposals	-	-	-	-	-	-	-	-
Gross carrying Value as at March 31, 2018	**4,666.60**	**17,704.00**	**95.24**	**5,713.31**	**6,013.56**	**4,832.98**	**733.17**	**39,758.86**
Accumulated depreciation and impairment as at April 01, 2017	-	1,780.82	95.24	4,188.09	4,281.46	2,780.49	319.01	13,445.11
Charged during the year	-	291.75	-	707.50	408.71	467.12	87.55	1,962.63
Disposals	-	-	-	-	-	-	-	-
Upto March 31, 2018	**-**	**2,072.57**	**95.24**	**4,895.59**	**4,690.17**	**3,247.61**	**406.56**	**15,407.74**
Net carrying amount as at March 31, 2018	**4,666.60**	**15,631.43**	**-**	**817.72**	**1,323.39**	**1,585.37**	**326.61**	**24,351.12**

*Refer Note 59

**Includes electrical installations

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6 INVESTMENT PROPERTIES*

(₹ in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Gross carrying amount		
Opening gross carrying amount	11,924.57	11,924.57
Additions	489.16	-
Reclassification from Buildings	338.49	-
Closing gross carrying amount	**12,752.22**	11,924.57
Accumulated depreciation		
Opening accumulated depreciation	1,442.70	1,248.32
Depreciation charge	204.40	194.38
Reclassification from Buildings	26.09	-
Closing accumulated depreciation	**1,673.19**	1,442.70
Net carrying amount	**11,079.03**	10,481.87

Notes:

i. Amounts recognised in profit or loss for investment properties

(₹ in lakhs)

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Rental income	391.52	530.95
Direct operating expenses from property that generated rental income	(85.72)	(76.33)
Direct operating expenses from property that did not generate rental income	(56.94)	(23.86)
Profit from investment property before depreciation	**248.86**	430.76
Depreciation	**(204.40)**	(194.38)
Profit from investment property	**44.46**	236.38

ii. Contractual obligations

There is no contractual obligations towards investment property.

iii. Leasing arrangements

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

(₹ in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Within one year	314.53	174.62
Later than one year but not later than 5 years	295.85	210.98
Later than 5 years	-	-

iv. Fair value

(₹ in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Investment properties	11,914.49	11,344.42

*Refer Note 59

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7 OTHER INTANGIBLE ASSETS

(₹ in lakhs)

Particulars	Trade Mark	Technical Knowhow	Computer Software	Total
Year ended March 31, 2019				
Gross carrying Value as at April 01, 2018	7.78	6.33	3,752.88	3,766.99
Additions	-	-	394.13	394.13
Disposals	-	-	-	-
Gross carrying Value as at March 31, 2019	**7.78**	**6.33**	**4,147.01**	**4,161.12**
Accumulated amortisation and impairment				
as at April 01, 2018	6.32	6.33	3,595.58	3,608.23
Charged during the year	0.33	-	87.91	88.24
Disposals	-	-	-	-
Upto March 31, 2019	**6.65**	**6.33**	**3,683.49**	**3,696.47**
Net carrying amount as at March 31, 2019	**1.13**	**-**	**463.52**	**464.65**
Year ended March 31, 2018				
Gross carrying Value as at April 01, 2017	7.78	6.33	3,678.85	3,692.96
Additions	-	-	74.03	74.03
Disposals	-	-	-	-
Gross carrying Value as at March 31, 2018	**7.78**	**6.33**	**3,752.88**	**3,766.99**
Accumulated amortisation and impairment				
as at April 01, 2017	5.99	6.33	3,536.62	3,548.94
Charged during the year	0.33	-	58.96	59.29
Disposals	-	-	-	-
Upto March 31, 2018	**6.32**	**6.33**	**3,595.58**	**3,608.23**
Net carrying amount as at March 31, 2018	**1.46**	**-**	**157.30**	**158.76**

(₹ in lakhs)

8 INVESTMENTS*	As at 31.03.2019	As at 31.03.2018
Non Current Investment		
In Equity Instruments of Subsidiaries	16,231.49	16,709.70
In Optionally Fully Convertible Debentures of Subsidiary	3,000.00	3,000.00
In Optionally Convertible Preference Shares of Subsidiary	-	-
In Government and Trust Securities	51.37	52.12
In Bonds / Debentures carrying at Amortised Cost	84,296.99	89,888.79
In Equity Instruments of Others	32.59	32.59
TOTAL	**1,03,612.44**	1,09,683.20
Current Investment		
In Equity Instruments of Subsidiaries	1,525.78	-
In Equity Instruments of Others	1,209.96	1,231.14
In Bonds / Debentures carrying at Amortised Cost	5,300.52	52,913.61
In Mutual Funds	7,772.59	7,207.59
TOTAL	**15,808.85**	61,352.34
TOTAL INVESTMENTS	**1,19,421.29**	1,71,035.54

*Refer Note 57, 59, & 60

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(₹ in lakhs)

	As at 31.03.2019	As at 31.03.2018
Details of Investments		
Non-current investments		
Unquoted		
Investments carried at cost		
Investment in equity instrument of subsidiaries		
6,040,000 (Previous Year 6,040,000) Equity shares of ₹ 10/- each in IBS Forex Limited [at cost less expected credit loss in value ₹ 157.26 lakhs (Previous Year ₹ 157.26 lakhs)]	446.74	446.74
52,378,236 (Previous Year 41,902,590) Equity shares of ₹ 10/- each fully paid up in TickerPlant Limited. [at cost less expected credit loss in value ₹ 2,756.58 lakhs (Previous Year ₹ 2,756.58 lakhs)]	2,481.24	1,433.68
175,583,162 (Previous Year 17,05,66,500) Equity shares of ₹ 10/- each and 19,509,240 (Previous Year Nil) Equity Share of ₹ 10 each (₹ 5 paid up) in National Spot Exchange Limited [at cost less expected credit loss in value ₹ 18,533.78 lakhs (Previous Year ₹ 17,056.65 lakhs)]	-	-
210,086,610 (Previous Year 497,001,298) Equity shares of ₹ 1/- each in atom technologies Limited [at cost less expected credit loss in value ₹ 983.66 lakhs (Previous Year ₹ 2,327.02 lakhs)] (Refer Note 47)	1,117.22	2,642.99
50,000 (Previous Year 50,000) Equity shares of ₹ 10/- each in Financial Technologies Communications Limited	5.00	5.00
109,060,002 (Previous Year 109,060,002) Ordinary shares of USD 1/- each in FT Group Investments Pvt. Limited [at cost less expected credit loss in value ₹ 65,433.03 lakhs (Previous Year ₹ 65,433.03 lakhs)]	-	-
10,002 (Previous Year 10,002) Ordinary shares of USD 1/- each in Knowledge Assets Private Limited	3.98	3.98
3,750,000 (Previous Year 3,750,000) Equity shares of ₹ 10/- each in FT Knowledge Management Company Limited [at cost less expected credit loss in value ₹ 328.00 lakhs (Previous Year ₹ 328.00 lakhs)]	47.00	47.00
111,600,001 (Previous Year 111,600,001) Ordinary shares of SGD 1/- each in Financial Technologies Singapore PTE Limited [at cost less expected credit loss in value ₹ 25,464.26 lakhs (Previous Year ₹ 25,464.26 lakhs)]	11,410.10	11,410.10
4,314,395 (Previous Year 4,314,395) Equity shares of ₹ 10/- each in Apian Finance & Investment Limited	550.78	550.78
50,000 (Previous Year 50,000) Ordinary shares of ₹ 10/- each in FT Projects Limited	5.00	5.00
1,000,000 (Previous Year 1,000,000) Equity shares of ₹ 10/- each in Global Payment Networks Limited	100.00	100.00
7,000,000 (Previous Year 7,000,000) Equity shares of ₹ 10/- each in Riskraft Consulting Limited [at cost less expected credit loss in value ₹ 635.57 lakhs (Previous Year ₹ 635.57 lakhs)]	64.43	64.43
100 (Previous Year 100) Equity Shares of Rand 1/- each in ICX Platform (Pty) Limited [at cost expected credit loss in value ₹499.13 lakhs (Previous Year ₹ 499.13 lakhs)]	-	-
5,249,900 (Previous Year 5,249,900) Equity shares of ₹ 10/- each in Credit Market Services Pvt. Limited [at cost less expected credit loss in value ₹ 524.99 lakhs (Previous Year ₹ 524.99 lakhs)]	-	-
TOTAL	**16,231.49**	16,709.70
In debentures of a subsidiary (unquoted):		
30 (Previous Year 30) Unsecured, optionally fully convertible debentures of ₹ 10,000,000/- each in FT Projects Limited	3,000.00	3,000.00
TOTAL	**3,000.00**	3,000.00
In Optionally convertible preference shares of a subsidiary (unquoted):		
15,000,000 (Previous Year 15,000,000) 5% Optionally Convertible Preference shares of USD 1/- each in FT Group Investments Pvt. Limited [at cost less expected credit loss in value ₹ 6,904.50 lakhs (Previous Year ₹ 6,904.50 lakhs)]	-	-
TOTAL	-	-

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(₹ in lakhs)

	As at 31.03.2019	As at 31.03.2018
In Government and trust securities (Unquoted):		
51.17 (Previous Year 51.92) Class A units of ₹ 100,000/- each towards capital contribution of India Venture Trust - Fund I	51.17	51.92
National Savings Certificate - VIII Issue (deposited with sales tax authorities)	0.20	0.20
TOTAL	**51.37**	52.12
Investment carried at amortised cost:		
In Bonds / debentures		
1,000.00 (Previous Year 1,000.00) Non Convertible 11.50% IL&FS Transportation Networks Ltd. NCD 21/06/2024 of ₹ 1,000,000/- each (Refer Note 52)	10,826.62	10,903.49
1,000.00 (Previous Year 1,000.00) Non Convertible 11.80% IL&FS Transportation Networks Ltd. NCD 20/12/2024 of ₹ 1,000,000/- each (Refer Note 52)	10,829.04	10,885.44
1,000.00 (Previous Year 1,000.00) Non Convertible 10.45% Gujarat State Petroleum Corporation Ltd. NCD 28/09/2072 of ₹ 1,000,000/- each	10,605.15	10,709.77
1,000,000.00 (Previous Year 1,000,000.00) Non Convertible 9.25% Dewan Housing Finance Corp Ltd. NCD (Series III B) 09/09/2023 of ₹ 1,000/- each	10,138.78	10,164.45
1,000,000.00 (Previous Year 1,000,000.00) Non Convertible 9.05% Dewan Housing Finance Corp Ltd. NCD (Series III A) 09/09/2023 of ₹ 1,000/- each	10,068.64	10,081.79
Nil (Previous Year 500.00) Non Convertible 9.55% Andhra Bank Perpetual Bonds of ₹ 1,000,000/- each	-	5,007.06
150.00 (Previous Year 150.00) Non Convertible 11.25% Syndicate Bank Perpetual Series III Bonds of ₹ 1,000,000/- each	1,542.18	1,558.93
1,500.00 (Previous Year 1,500.00) Non Convertible 7.50% Water & Sanitation Pooled Fund 2020 Tax Free Bonds of ₹ 40,000/- (Previous Year ₹ 60,000/-) each	300.03	601.64
3,000.00 (Previous Year 3,000.00) Non Convertible 9.00% Yes Bank Ltd. Perpetual Bonds (Base III Tier I) of ₹ 1,000,000/- each	29,986.55	29,976.20
TOTAL	**84,296.99**	89,888.79
In Equity Instruments of Others (unquoted):		
2,338.00 (Previous Year 2,338.00) Equity shares of ₹ 10/- each in Eco-Connect Ventures Pvt. Ltd.	32.59	32.59
TOTAL NON CURRENT INVESTMENTS	**1,03,612.44**	1,09,683.20
Current Investment:		
In equity shares of subsidiary companies (Unquoted):		
286,914,688 (Previous Year Nil) Equity shares of ₹ 1/- each in Atom Technologies Limited [at cost less expected credit loss in value ₹ 1,343.36 lakhs (Previous Year ₹ Nil lakhs)] (Refer Note 47)	1,525.78	-
TOTAL	**1,525.78**	-
In Equity Instruments of Others carried at fair value through Profit and loss account:		
1,496,500 (Previous Year 1,496,500) Equity shares of ₹ 1/- each in Delhi Stock Exchange Limited [at cost less expected credit loss in the value of investment ₹ 660.99 lakhs (Previous Year ₹ 659.38 lakhs)] (Refer Note 53)	386.55	388.16
5,750,000 (Previous Year 5,750,000) Equity shares of ₹ 10/- each in Metropolitan Clearing Corporation of India Ltd. (MCCIL), [at cost less expected credit loss in the value of investment ₹ 27.17 lakhs (Previous Year ₹ Nil) (Refer Note 53)	590.19	617.36
290,000 (Previous Year 290,000) Equity shares of ₹ 10/- each in Norflok Technology Services Limited (formerly Vadodara Stock Exchange Limited). (Refer Note 53)	233.22	225.62
TOTAL	**1,209.96**	1,231.14

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(₹ in lakhs)

	As at 31.03.2019	As at 31.03.2018
1,500.00 (Previous Year 1,500.00) Non Convertible 7.50% Water & Sanitation Pooled Fund 2020 Tax Free Bonds of ₹ 40,000/- (Previous Year ₹ 60,000/-) each	300.03	300.82
Nil (Previous Year 1,000.00) Non Convertible 0% IL&FS Energy Development Company Ltd. NCD 08/05/2018 of ₹ 1,000,000/- each	-	12,610.75
Nil (Previous Year 1,500.00) Non Convertible 11.50% Bank of India Perpetual Series II Bonds of ₹ 1,000,000/- each [at amortised cost less impairment loss in value of investment ₹ Nil (Previous Year ₹ 691.51 lakhs)]	-	15,010.66
Nil (Previous Year 1,500.00) Non Convertible 11.50% Bank of India Perpetual Series III Bonds of ₹ 1,000,000/- each [at amortised cost less impairment loss in value of investment ₹ Nil (Previous Year ₹ 1,430.57 lakhs)]	-	15,006.70
Nil (Previous Year 1,000.00) Non Convertible 9.51% Corporation Bank Perpetual Bonds of ₹ 1,000,000/- each	-	9,984.68
500.00 (Previous Year Nil) Non Convertible 9.55% Andhra Bank Perpetual Bonds of ₹ 1,000,000/- each	5,000.49	-
TOTAL	**5,300.52**	52,913.61
Investment carried at fair value through Profit and Loss		
8,070,191.30 (Previous Year 8,070,191.30) units of ₹ 10/- each of Reliance Prime Debt Fund-Direct Plan - Growth (formerly Reliance Medium Term Fund-Direct Plan-Growth).	3,237.35	3,002.29
899,473.49 (Previous Year 899,473.49) units of ₹ 10/- each of ICICI Prudential Floating Interest Fund - Direct Plan-Growth (Formerly ICICI Prudential Savings Fund-Direct Plan-Growth).	2,617.23	2,431.68
55,061.37 (Previous Year 55,061.37) units of ₹ 1,000/- each of Kotak Low Duration Fund - Direct Growth	1,308.81	1,206.26
12,979.50 (Previous Year 12,979.50) units of ₹ 1,000/- each of BNP Paribas Liquid Fund - Direct Growth (formerly known as BNP Paribas Overnight Fund - Direct Plan - Growth)	372.70	346.27
1,340,928.35 (Previous Year 1,340,928.35) units of ₹ 10/- each of L&T Triple Ace Bond Fund - Bonus - Original	236.50	221.09
TOTAL	**7,772.59**	7,207.59
TOTAL CURRENT INVESTMENT	**15,808.85**	61,352.35
Aggregate Value of listed but not quoted investment	89,597.51	1,42,802.40
Aggregate Value of unquoted investment	1,54,047.28	1,50,979.51
Aggregate amount of expected credit loss	1,24,223.50	1,22,746.37
9 LOANS		
Non - Current		
Unsecured, loans to related parties (Refer Note 40)		
Loan Receivables which have significant increase in Credit Risk	-	-
Loan Receivables - credit impaired	162.10	162.10
	162.10	162.10
Less: Allowance for Loans credit impaired	(162.10)	(162.10)
	-	-
Unsecured, Considered Good		
Loans to employees	41.84	50.99
TOTAL	**41.84**	50.99
Current		
Unsecured, loans to related parties (Refer Note 40)		
Considered good	500.00	500.00
Loan Receivables which have significant increase in Credit Risk	-	-
Less: Allowance for Loans credit impaired	(19.00)	(19.00)
	500.00	500.00

NOTES

forming part of the Financial Statements for the year ended March 31, 2019

(₹ in lakhs)

	As at 31.03.2019	As at 31.03.2018
Unsecured, Considered Good		
Loans to employees	21.28	18.60
TOTAL	**521.28**	518.60
TOTAL LOAN	**563.12**	569.59
10 OTHER FINANCIAL ASSETS		
Non-Current		
Security Deposits	83.71	102.29
Deposit with the Hon'ble Bombay High Court	8,400.00	8,400.00
Other Bank Balances		
In current accounts (Refer Note 59 and 60)	3,027.17	3,027.17
In deposit accounts (under lien)	55.64	24.25
TOTAL	**11,566.52**	11,553.71
Current		
Interest accrued on bank fixed deposits / Others	1,266.04	486.77
Receivable on sale / redemptions of investments	300.87	0.87
Interest accrued on Bonds	2,779.82	6,790.81
Advances and other receivables		
Considered good	9.12	82.52
Considered doubtful	2,905.94	2,899.65
	2,915.06	2,982.17
Less: Allowance for doubtful advances	(2,905.94)	(2,899.65)
	9.12	82.52
Security deposits		
Considered good	34.73	40.55
Considered doubtful	13.12	13.12
	47.85	53.67
Less: Allowance for Doubtful Security deposit	(13.12)	(13.12)
	34.73	40.55
Unbilled receivable	279.81	273.17
Contractually reimbursable expenses	229.08	259.27
Rent receivables	311.92	295.79
Other receivables	49.55	70.60
Balance in ESCROW account with Bank	726.41	1,806.41
Derecognition of revenue	(726.41)	(1,806.41)
	-	-
TOTAL	**5,260.94**	8,300.35
TOTAL OTHER FINANCIAL ASSETS	**16,827.46**	19,854.06
11 OTHER ASSETS		
Other Non - Current assets		
Advance Income Tax (net of provisions)	6,587.12	5,997.38
Advance Lease rental	681.37	693.77
Balances with government authorities	6.01	6.01
Capital advances	-	85.21

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forming part of the Financial Statements for the year ended March 31, 2019

(₹ in lakhs)

	As at 31.03.2019	As at 31.03.2018
MAT credit entitlement (Refer Note 49)	8,950.29	9,115.62
Prepaid expenses	27.08	26.26
TOTAL	**16,251.87**	15,924.25
Other current assets		
Prepaid expenses	554.68	919.10
Balances With Government Authorities	365.69	1,164.53
Advance for Lease	12.41	12.37
Advances for supply of goods and services		
Considered good	3,773.07	2,112.08
Considered doubtful	200.00	200.00
	3,973.07	2,312.08
Less: Allowance for doubtful advances	(200.00)	(200.00)
	3,773.07	2,112.08
TOTAL	**4,705.85**	4,208.08
TOTAL OTHER ASSETS	**20,957.72**	20,132.33
12 TRADE RECEIVABLES		
Current Unsecured		
Trade Receivable considered good	2,628.30	2,064.07
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	110.57	110.40
	2,738.87	2,174.47
Less: Allowance for expected credit loss	(110.57)	(110.40)
TOTAL TRADE RECEIVABLES	**2,628.30**	2,064.07
13 CASH AND CASH EQUIVALENTS		
Balances with banks		
In current accounts	1,125.90	2,257.56
In deposit accounts with original maturity of less than 3 months	-	40,000.00
In earmarked accounts		
In current accounts	47.36	153.66
TOTAL CASH AND CASH EQUIVALENTS	**1,173.26**	42,411.22
14 BANK BALANCES OTHER THAN (13) ABOVE		
Other bank balances		
In deposit accounts with original maturity of more than 12 months	10,983.09	4,396.96
[Includes ₹ 236.30 lakhs (Previous Year: ₹ 598.00 lakhs) under lien with banks]		
In deposit accounts with original maturity of more than 3 months but less than 12 months	85,350.60	9,841.00
[Includes ₹ 137.11 lakhs (Previous Year: ₹ Nil) under lien with banks]		
In earmarked accounts		
Unclaimed dividend accounts	62.21	62.41
TOTAL BANK BALANCES OTHER THAN (13) ABOVE	**96,395.90**	14,300.37

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forming part of the Financial Statements for the year ended March 31, 2019

15 EQUITY SHARE CAPITAL

Particulars	As at 31.03.2019		As at 31.03.2018	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
Authorised:				
Equity shares of ₹ 2/- each	15,00,00,000	3,000.00	15,00,00,000	3,000.00
Issued, subscribed and fully paid up:				
Equity shares of ₹ 2/- each	4,60,78,537	921.57	4,60,78,537	921.57

a. Reconcilation of number of shares

Particulars	As at 31.03.2019		As at 31.03.2018	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
Equity Shares				
Opening Balance	4,60,78,537	921.57	4,60,78,537	921.57
Changes during the period	-	-	-	-
Closing Balance	4,60,78,537	921.57	4,60,78,537	921.57

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 and appropriate judicial orders. 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:

Particulars	As at 31.03.2019		As at 31.03.2018	
	Number of Equity Shares held	% Holding	Number of Equity Shares held	% Holding
La-fin Financial Services Private Limited	1,23,29,968	26.76	1,23,29,968	26.76
Jignesh P. Shah*	65,36,728	14.19	83,29,585	18.08
Ravi Kanaiyalal Sheth	29,09,460	6.31	24,48,367	5.31

*In previous year, 35,85,715 (7.78%) equity shares held jointly. Out of 35,85,715 shares held jointly, 17,92,857 shares were transferred to Rupal Jignesh Shah vide MPID court order dated June 28, 2018.

d. As at March 31, 2019, Nil Options (Previous Year 43,381) are outstanding towards Employee Stock Options granted.
For particulars of options on unissued capital under employee stock option schemes. (Refer Note 38)

(₹ in lakhs)

16 BORROWINGS	As at 31.03.2019	As at 31.03.2018
Current		
Term Loan from bank - Unsecured		
External Commercial Borrowings In Foreign Currency	-	10,114.36
TOTAL BORROWINGS	-	10,114.36

During the year ended March 31, 2012, the Company had availed a foreign currency term loans viz. external commercial borrowings of USD 25 million which was repayable in nine semi-annual installments (first eight installments of 11% each and last installment of 12%) starting from December 2014. During the financial year 2013-14, the loan was refinanced with the same lender at reduced borrowing rate. The Company prepaid USD 9.45 million during the financial year 2013-14 and balance USD 15.55 million is repaid during the current financial year. This loan carried interest at the rate of applicable quarterly LIBOR plus margin of 4.3% p.a. During the previous year margin reduce from 4.30% p.a to 2.3% p.a.

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forming part of the Financial Statements for the year ended March 31, 2019

(₹ in lakhs)

17 OTHER FINANCIAL LIABILITIES	As at 31.03.2019	As at 31.03.2018
Non-Current		
Security Deposit	180.58	-
TOTAL	**180.58**	-
Current		
Interest accrued but not due on borrowings	-	15.14
Unclaimed dividend*	62.21	62.41
Unpaid dividend (Refer Note 55)	4,147.07	3,225.50
Payables on purchase of fixed assets	11.45	115.42
Payable to employees and other contractual obligations	1,185.38	1,076.91
Provision for CSR related expense	47.36	152.63
Security deposits	125.75	212.31
Advances from customers	177.21	44.06
TOTAL	**5,756.43**	4,904.38
TOTAL OTHER FINANCIAL LIABILITIES	**5,937.01**	4,904.38

*No amount due and outstanding to be credited to investor Education and Protection Fund

(₹ in lakhs)

18 PROVISIONS	As at 31.03.2019	As at 31.03.2018
Non Current		
Provision for employee benefits	-	-
Compensated absences	450.64	472.09
TOTAL	**450.64**	472.09
Current		
Provision for employee benefits	-	-
Compensated absences	73.73	58.77
Gratuity	344.85	283.64
TOTAL	**418.58**	342.41
TOTAL PROVISIONS	**869.22**	814.50

(₹ in lakhs)

19 INCOME TAX & DEFERRED TAX	Year ended 31.03.2019	Year ended 31.03.2018
19.1 Income Tax recognised in Profit or loss:		
Current Tax		
In respect of the current year	944.74	6,408.61
In repect of earlier years	(4.67)	-
	940.07	6,408.61
Deferred Tax		
In respect of the current year	-	-
Other items	146.52	(1,073.00)
	146.52	(1,073.00)
TOTAL TAX EXPENSE RECOGNISED IN THE CURRENT YEAR (RELATING TO CONTINUING OPERATIONS)	**1,086.59**	5,335.61

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forming part of the Financial Statements for the year ended March 31, 2019

(₹ in lakhs)

	Year ended 31.03.2019	Year ended 31.03.2018
19.2 Reconciliation of tax expense with the effective tax		
Profit before tax from continuing operations (a)	1,095.85	6,973.37
Income tax rate as applicable (b)	34.94%	34.61%
Calculated taxes based on above, without any adjustments for deductions [(a) x (b)]	382.89	2,413.48
Permanent tax differences due to:		
Effect of income that is exempt from taxation	(18.28)	(25.74)
Effect of expenses that are not deductible in determining taxable profit	820.94	3,014.81
Effect of income chargeable to tax in different year as per tax provisions	(4.67)	(453.27)
Adjustments for income chargeable to tax at different rates	(94.29)	386.33
INCOME TAX EXPENSE RECOGNISED IN PROFIT OR LOSS (RELATING TO CONTINUING OPERATIONS)	**1,086.59**	5,335.61

(₹ in lakhs)

19.3 Tax Losses & Tax credits	**As at 31.03.2019**	**As at 31.03.2018**
a. Tax losses		
Deffered tax asset not recognised		
Unused tax losses (including capital gain losses)	3,960.57	3,589.75
Provision for diminution in investments in subsidiaries	28,506.24	28,165.47
b. Tax credits		
Opening balance of MAT entitlement	9,115.62	12,402.73
Less: Utilised during the year	165.33	3,287.11
Closing balance of MAT entitlement	**8,950.29**	9,115.62
19.4 Deferred tax liabilities / (assets)		
a. The balance comprises temporary differences attributable to		
Deferred income tax liabilities		
Property, plant and equipment	2,067.80	1,895.87
Foreign currency monetary item translation difference account (FCMITDA)	-	3.76
TOTAL DEFERRED INCOME TAX LIABILITIES	**2,067.80**	1,899.63
Deferred income tax assets		
Trade receivables	38.63	38.21
Loans & other receivables	1,089.80	1,077.33
Provision for employees benefits	303.71	281.90
Tax losses	764.00	764.00
TOTAL DEFERRED INCOME TAX ASSETS	**2,196.14**	2,161.44
DEFERRED INCOME TAX (ASSETS) / LIABILITIES AFTER SET OFF	**(128.34)**	(261.81)

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forming part of the Financial Statements for the year ended March 31, 2019

(₹ in lakhs)

	Year ended 31.03.019	Year ended 31.03.2018
b. Movement in deferred tax liabilities / (assets)		
Net deferred tax (assets) / liabilities at the beginning	(261.81)	360.19
Charged to profit or loss on account of		
Property, plant and equipment	171.93	(47.39)
Fair valuation gain / (loss) on investments	-	(984.08)
Foreign currency monetary item translation difference account (FCMITDA)	(3.76)	7.63
Trade receivables	(0.42)	(0.84)
Loans & other receivables	(12.47)	(60.07)
Provision for employees benefits	(8.76)	11.75
	146.52	(1,073.00)
Recognised in Other Comprehensive Income		
Employee benefit expenses	(13.05)	24.77
Fair value loss on reclassification of assets	-	426.23
	(13.05)	451.00
NET DEFERRED TAX (ASSETS) / LIABILITIES AT THE CLOSING	**(128.34)**	(261.81)

(₹ in lakhs)

19.5 Current tax liabilities / (Assets)	**As at 31.03.2019**	**As at 31.03.2018**
Current tax	(1,272.56)	(374.16)
TOTAL CURRENT TAX LIABILITIES / (ASSETS)	**(1,272.56)**	(374.16)

(₹ in lakhs)

20 OTHER LIABILITIES	**As at 31.03.2019**	**As at 31.03.2018**
Non-Current		
Other advances	3.15	8.82
Income received in advance / unearned revenue	-	92.16
TOTAL	**3.15**	100.98
Current		
Statutory remittances	246.14	754.54
Income received in advance / unearned revenue	1,175.77	2,502.82
Other advances	27.71	22.05
TOTAL	**1,449.62**	3,279.41
TOTAL OTHER LIABILITIES	**1,452.77**	3,380.39
21 TRADE PAYABLES		
Dues to Micro and Small Enterprises (Refer Note 34)	63.26	20.41
Dues to Related Parties	-	1.77
Total outstanding dues of Creditors other than Micro and Small Enterprises	560.24	529.38
TOTAL TRADE PAYABLES	**623.50**	551.56

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forming part of the Financial Statements for the year ended March 31, 2019

(₹ in lakhs)

22 REVENUE FROM OPERATIONS	Year ended 31.03.2019	Year ended 31.03.2018
Income from software products (IPR based license)	5,693.54	5,181.02
Income from software services (Project based)	8,867.39	16,475.54
IT infrastructure income	21.52	886.92
Other operating revenues		
Business support services	136.62	128.06
TOTAL REVENUE FROM OPERATIONS	**14,719.07**	22,671.54
Revenue disaggregation by geography is as follows:		
Geography		
India	14,578.47	22,510.70
Others	140.60	160.84
	14,719.07	22,671.54
Geographical revenue is allocated based on the location of the customers		

Particulars	Year ended 31.03.2019
Changes in contract assets are as follows:	
Balance at the beginning of the year	273.17
Revenue recognised during the year	11,577.21
Invoices raised during the year	(11,570.57)
Balance at the end of the year	**279.81**

Particulars	Year ended 31.03.2019
Changes in unearned and deferred revenue are as follows:	
Balance at the beginning of the year	2,594.98
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the year	(2,202.93)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	783.72
Balance at the end of the year	**1,175.77**

23 OTHER INCOME		
Interest received on financial assets - Carried at amortised cost		
On Bank deposits*	5,968.56	1,123.13
On Investments*	8,609.71	17,146.51
On Loans to subsidiaries	47.29	37.54
On Income tax refunds	-	376.12
On Others	146.37	49.97
On Loans to employees*	12.13	0.30
	14,784.06	18,733.57
*Interest under effective Interest method		
Gain on Fair Valuation of Financial Assets at fair value through profit or loss	570.26	548.84
Loss allowance on trade receivable no longer required written back	4.58	27.58
Advances / Liabilities no longer required written back	-	28.87

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forming part of the Financial Statements for the year ended March 31, 2019

(₹ in lakhs)

		Year ended 31.03.2019	Year ended 31.03.2018
Other Non-Operating Income			
Rental income from properties sublease [Refer Note 32(b)]		648.83	827.24
Miscellaneous income		-	0.98
TOTAL OTHER INCOME		**16,007.73**	20,167.08
24 EMPLOYEE BENEFITS EXPENSE			
Salaries and wages		9,662.11	9,265.81
Contribution to provident fund and other funds (Refer Note 39)		352.73	325.23
Gratuity (Refer Note 39)		146.52	177.03
Staff welfare expenses		357.98	285.96
TOTAL EMPLOYEE BENEFITS EXPENSE		**10,519.34**	10,054.03
25 FINANCE COSTS			
Interest expense			
Financial liabilities - Carried at amortised cost		361.35	721.03
Delayed payment of tax		0.06	0.32
Others		48.76	29.21
Other borrowing costs			
Reversal of provision for estimated loss on interest rate swap contracts		-	(28.01)
TOTAL FINANCE COSTS		**410.17**	722.55
26 DEPRECIATION AND AMORTISATION EXPENSES			
Depreciation of tangible assets		1,519.25	1,962.63
Depreciation of Investment Properties		204.40	194.38
Amortisation of intangible assets		88.24	59.29
TOTAL DEPRECIATION AND AMORTISATION EXPENSES		**1,811.89**	2,216.30
27 OTHER EXPENSES			
Electricity		493.71	469.66
Rent including lease rentals [Refer Note 32(a)]		100.98	125.57
Repairs and maintenance		440.88	726.02
Security service charges		151.50	148.42
Office Expenses		487.96	418.87
Advertisement, branding & event expenses		156.60	585.26
Sales promotion expenses		209.37	192.29
Travelling and conveyance		389.57	513.63
Software license fees		681.12	710.88
Communication expenses		284.31	384.07
Legal and professional charges (Refer Note 35)		8,591.05	6,653.64
Outsourcing charges		141.65	197.94
Net loss on foreign currency transactions and translations		1,182.90	73.25
Reclassification of fair value loss from OCI on sale of investments		-	1,881.06
Bad trade receivables / advances written off	1,639.53		51.46
Less: Allowance for credit loss made earlier	11.73		47.39
		1,627.80	4.07

NOTES

forming part of the Financial Statements for the year ended March 31, 2019

(₹ in lakhs)

	Year ended 31.03.2019	Year ended 31.03.2018
Expected credit loss on trade receivables and advances	18.18	255.73
CSR related Expenses	45.30	56.71
Provision for commission to non-executive directors	20.00	83.00
Miscellaneous expenses	839.54	1,234.72
TOTAL OTHER EXPENSES	**15,862.42**	14,714.79
28 EXCEPTIONAL ITEMS		
Net gain on sale of current investments	-	1,300.00
Impairment of bonds (Refer Note 51)	-	(3,145.92)
Allowance for credit loss on loans to subsidiaries made earlier written back (Refer Note 48)	450.00	-
Allowance for expected credit loss on investments in subsidiaries (Refer Note 45)	(1,477.13)	(6,311.66)
TOTAL EXCEPTIONAL ITEMS	**(1,027.13)**	(8,157.58)

29 FINANCIAL INSTRUMENTS

Financial instruments by category

The carrying amounts and fair values of financial instruments by categories as at March 31, 2019 and March 31, 2018 are as follows:

(₹ in lakhs)

Particulars	Amortised Cost / Cost	FVTPL*	FVTOCI**	Fair Value / Carrying Value
AS AT MARCH 31, 2019				
Assets:				
Investments:				
In equity Instruments of Subsidiaries	17,757.27	-	-	17,757.27
In optionally fully convertible debentures of subsidiary	3,000.00	-	-	3,000.00
In government and trust securities	-	51.37	-	51.37
In bonds carrying at amortised cost	89,597.51	-	-	80,607.08
In mutual funds	-	7,772.59	-	7,772.59
In equity instruments of others	-	1,242.55	-	1,242.55
Cash and cash equivalents	1,173.26	-	-	1,173.26
Bank balances other than above	96,395.90	-	-	96,395.90
Trade receivables	2,628.30	-	-	2,628.30
Loans	563.12	-	-	563.12
Other financial assets	16,827.46	-	-	16,827.46
TOTAL ASSETS	**2,27,942.82**	**9,066.51**	**-**	**2,28,018.90**
Liabilities:				
Borrowings	-	-	-	-
Trade payables	623.50	-	-	623.50
Other financial liabilities	5,937.01	-	-	5,937.01
TOTAL LIABILITIES	**6,560.51**	**-**	**-**	**6,560.51**

NOTES

forming part of the Financial Statements for the year ended March 31, 2019

(₹ in lakhs)

Particulars	Amortised Cost / Cost	FVTPL*	FVTOCI**	Fair Value / Carrying Value
AS AT MARCH 31, 2018				
Assets:				
Investments:				
In equity Instruments of Subsidiaries	16,709.70	-	-	16,709.70
In optionally fully convertible debentures of subsidiary	3,000.00	-	-	3,000.00
In government and trust securities	-	52.12	-	52.12
In bonds carrying at amortised cost	142,802.40	-	-	140,627.54
In mutual funds	-	7,207.59	-	7,207.59
In equity instruments of others	-	1,263.73	-	1,263.73
Cash and cash equivalents	42,411.22	-	-	42,411.22
Bank balances other than above	14,300.37	-	-	14,300.37
Trade receivables	2,064.07	-	-	2,064.07
Loans	569.59	-	-	569.59
Other financial assets	19,854.06	-	-	19,854.06
TOTAL ASSETS	**241,711.41**	**8,523.44**	**-**	**107,432.49**
Liabilities:				
Borrowings	10,114.36	-	-	10,114.36
Trade payables	551.56	-	-	551.56
Other financial liabilities	4,904.38	-	-	4,904.38
TOAL LIABILITIES	**15,570.30**	**-**	**-**	**15,570.30**

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as under:

- Level 1 hierarchy includes methods and input that use active quoted prices depending upon type of instrument. Management has used closing prices and values of closing NAV's as applicable in case of financial instruments covered under this level.
- Under level 2 the fair value of the financial instruments that are not traded in any active market are determined using appropriate valuation techniques with the use of observable market data without relying much on the estimates that are entity specific. The inputs under this level are always observable.
- In case of level 3 if one or more of the significant inputs are not derived on the basis of observable market data then fair value estimations derived with such inputs are included in level 3.
- The Company follows a policy to recognise transfers between the levels only at the end of reporting period and accordingly there are no transfers between levels during the year.

*FVTPL - Fair Value Through Profit and Loss

**FVTOCI - Fair Value Through Other Comprehensive Income

The information based on the above levels is tabulated here below:

Fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

(₹ in lakhs)

Particulars	Fair value measurement at end of the reporting period / year using		
	Level 1	Level 2	Level 3
As at 31.03.2019			
Assets at Fair Value:			
In Mutual Funds	7,772.59	-	-
In Equity Instruments of Others	-	-	1,242.55
In Government and Trust Securities	-	-	51.37
Liabilities at Fair Value:	-	-	-

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(₹ in lakhs)

Particulars	Fair value measurement at end of the reporting period / year using		
	Level 1	Level 2	Level 3
As at 31.03.2018			
Assets at Fair Value:			
In Mutual Funds	7,207.59	-	-
In Equity Instruments of Others	-	-	1,263.73
In Government and Trust Securities	-	-	52.12
Liabilities at Fair Value:	-	-	-

Fair value hierarchy of assets and liabilities measured at amortised cost for which fair values are disclosed

(₹ in lakhs)

Particulars	Fair Value Amount	Fair Value		
		Level 1	Level 2	Level 3
As at 31.03.2019				
In bonds carrying at amortised cost	80,607.08	-	-	80,607.08
As at 31.03.2018				
In bonds carrying at amortised cost	140,627.54	-	-	140,627.54

Reconciliation of Level 3 fair value measurement is as follows

(₹ in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
In equity instruments of others		
Balance at the beginning of the year	**1,263.73**	1,436.07
Purchase during the period	-	32.59
Gain / (loss) on fair valuation of financial assets	(21.18)	133.12
Impairment during the year	-	-
Sale / settlement during the year	-	(338.05)
Balance at the end of the year	**1,242.55**	1,263.73
In government and trust securities		
Balance at the beginning of the year	**52.12**	83.90
Purchase during the period	-	-
Impairment during the year	-	-
Sale / Settlement during the year	(0.75)	(31.78)
Balance at the end of the year	**51.37**	52.12

Calculation of fair values:

The fair values of Investments in mutual funds are based on Net Asset Values (NAV) published by fund houses and uploaded on Association of Mutual Funds of India (AMFI)'s website. The unlisted equity shares are fair valued on the basis of latest available financial statements of the companies. The securities which are listed but not frequently traded are fair valued based on the estimated rate as per prevailing market condition as on reporting date as received from market intermediary. Trust securities are fair valued based on latest available Net Asset Value report from the trustee company.

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Income, expenses, gains or losses on financial instruments:

(₹ in lakhs)

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Financial assets carried at amortised cost		
Interest income	14,784.06	18,733.57
Loss allowance on trade receivable no longer required, written back	4.58	27.58
Advance / Liabilities no longer required written back	-	28.87
Remeasurement of the net defined benefit liability / asset	(24.65)	46.76
Bad trade receivable / advances written off	(1,627.80)	(4.07)
Loss on reclassification of financial assets from amortised cost to fair value included in Other Comprehensive Income	-	1,881.06
Financial assets carried at fair value through profit or loss		
Gain / (loss) on fair valuation	570.26	548.84
Impairment of Bonds	-	(3,145.92)
Financial liabilities carried at amortised cost		
Interest expenses	361.35	721.03
Net loss on foreign currency translations	1,182.90	73.25

30 RISK MANAGEMENT

Credit Risk Management

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities.

Trade Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals of customers to which the Company grants credit terms in the normal course of business and their past transactions. Impairment losses in respect of trade receivables is assessed at party level on each reporting date. The Company establishes an expected credit loss allowance for trade receivables based on historical trends. The ageing analysis of trade receivable (gross of provision) has been considered from the date invoice falls due. Following table depicts expected credit loss on agewise trade receivables.

(₹ in lakhs)

Period (in days)		As at 31.03.2019	As at 31.03.2018
Upto 180 days	Amount	2,067.97	2,014.22
	Expected credit loss	19.92	13.34
181 - 270 days	Amount	269.69	69.52
	Expected credit loss	13.94	6.33
More than 270 days	Amount	401.21	90.73
	Expected credit loss	76.71	90.73
TOTAL	**Amount**	**2,738.87**	2,174.47
	Expected credit loss	**110.57**	110.40

Following table summarises the change in loss allowances measured using Life time Expected Credit Loss model:

(₹ in lakhs)

Particulars	Year ending 31.03.2019	Year ending 31.03.2018
Balance at the beginning of the year	110.40	107.98
Add: additional provision during the year	11.89	49.81
Less: reversal of provision	11.72	47.39
Balance at the end of the year	**110.57**	110.40

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Financial instruments & bank balances:

The Company limits its exposure to credit risk by generally investing in securities with a good credit rating. The credit rating is being reviewed by the Company periodically. Please refer Note 52 regarding the Company's investment in Non-Convertible Debentures of IL&FS Transportation Networks Ltd. Balances with banks are subject to low credit risks due to good credit ratings assigned to these banks.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations.

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2019 and March 31, 2018.

(₹ in lakhs)

Period (in days)	Borrowings	Trade Payable
As at 31.03.2019		
Upto 180 days	-	644.48
181 – 365 days	-	-
More than 365 days	-	-
As at 31.03.2018		
Upto 180 days	-	551.56
181 – 365 days	10,114.36	-
More than 365 days	-	-

Foreign Currency risk

The Company's exchange risk arises primarily from its trade receivable. The advance in foreign currency are provided for. The exchange rate between the Indian rupee and US dollars has changed substantially in recent periods and may continue to fluctuate in the future. However since, outstanding amount is not material, foreign currency exposures have not been hedged by a derivative instrument or otherwise. The Company's foreign currency exposures as on year end are as under:

(₹ in lakhs)

Particulars	Currency	As at 31.03.2019		As at 31.03.2018	
		Foreign Currency	₹	Foreign Currency	₹
Payables in foreign currency					
Borrowings including interest	USD	-	-	155.75	10,130.73
Receivables in foreign currency					
Trade receivables	USD	1.75	121.05	1.05	68.30

For the year ended March 31, 2019 every 1% increase / decrease of the respective foreign currencies compared to functional currency of the Company would result in loss / gain of ₹ 0.79 lakhs.

For the year ended March 31, 2018 every 1% increase / decrease of the respective foreign currencies compared to functional currency of the Company would result in loss / gain of ₹ 98.08 lakhs

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates was related primarily to the Company's debt obligations with floating interest rates. To mitigate the interest rate risk, the Company had entered into interest rate swap contracts for covering partial borrowing to fixed rate of interest from floating rate. The Company's investment are primarily in long term fixed interest rate securities and hence do not carry substantial interest rate risk.

Capital Management

The primary objective of Company's capital management is to maximize shareholders value and safeguard its ability to continue as a going concern.

The Company monitors capital using gearing ratio, which is debt divided by total capital plus debt. Debt comprises of Long term and short term borrowings. Equity includes equity share capital and reserves that are managed as capital. The gearing at the end of the reporting period was as follows:

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(₹ in lakhs)

Particulars		As at 31.03.2019	As at 31.03.2018
Borrowings	A	-	10,114.36
Equity	B	2,85,589.30	286,575.74
Debt to Capital Employed	A/(A+B)	-	3.41%

Price Risk:

The Company is mainly exposed to the price risk due to its investment in debt mutual funds. The price risk arises due to uncertainties about the future market values of these investments.

The Company has laid policies and guidelines which it adheres to in order to minimise price risk arising from investments in debt mutual funds.

31 CONTINGENT LIABILITIES & ASSETS AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(₹ in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
1. CONTINGENT LIABILITIES		
a. Claims against the Company not acknowledged as debt		
i. Income tax demands which are in appeal [including adjustable against Securities Premium account ₹ 8,434.83 lakhs (Previous Year ₹ 8,434.83 lakhs)].	22,352.87	13,209.27
ii. MVAT, Service tax and Excise dues contested by the Company.	423.35	414.40
iii. Refer Note 54, 58, 59, 60, 61 and 62 for pending civil suits and First Information Report, impact of which is not ascertainable.		
b. Guarantees		
Guarantees given to third parties by the Company on behalf of its subsidiary companies.	225.45	225.45
(Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.)		
2. CONTINGENT ASSETS		
Interest amount not reconognised on the deposit with Hon'ble Bombay High Court (Refer Note 54)		
3 . CAPITAL AND OTHER COMMITMENTS		
i. Estimated amount of contracts to be executed on capital account and not provided for (net of advances).	110.46	658.73
ii. For commitments relating to lease (Refer Note 32).		
iii. The Company has provided letters committing continuing financial support subject to regulatory approval as may be required to its subsidiaries viz. FT Group Investment Pvt. Ltd, ICX Platform (Pty) Ltd. and Knowledge Assets Private Limited to meet their day to day obligations / loan obligations / commitments, to the extent these entities may be unable to meet their obligations.		

32 OPERATING LEASE

a. The Company has entered into various cancellable and non-cancellable operating lease agreements as a lessee for various premises ranging from 6 months to 60 months and may be renewed for further period based on mutual agreement of the parties. The lease rentals recognised as an expense in the statement of profit and loss during the year are included in Note 27 under the head 'Rent including lease rental'.

Disclosure for non-cancellable operating lease is as follows:

(₹ in lakhs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Lease expenditure		
Lease rentals	100.98	125.57
[net of recoveries ₹ 19.62 lakhs) (Previous Year ₹ 20.71 lakhs)]		

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(₹ in lakhs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Future minimum lease payments		
Not later than one year	6.70	15.64
Later than one year and not later than five years	-	-
Later than five years	-	-

b. The Company has entered into various cancellable and non-cancellable operating lease agreements as a lessor for various premises ranging from 2 months to 60 months and may be renewed for further period based on mutual agreement of the parties. The lease rentals recognised as income in the statement of profit and loss during the year are included in Note 23 under the head 'Rental income from properties sublease'.

Disclosure for non-cancellable operating lease is as follows:

(₹ in lakhs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Lease Income		
Lease rentals	648.83	827.24
Future minimum lease receivable		
Not later than one year	314.53	174.62
Later than one year and not later than five years	295.85	210.98
Later than five years	-	-

* 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.

33 a) Expenditure in foreign currency (including foreign branches)

(₹ in lakhs)

Nature of Expenses	Year Ended 31.03.2019	Year Ended 31.03.2018
Travelling expenses	3.02	12.54
Interest expenses on borrowings	365.54	695.37
IT Support Charges	19.15	-
Software license fees	46.56	59.35
Miscellaneous expenses	4.58	10.76
TOTAL	**438.85**	778.02

b) Earnings in foreign exchange (including foreign branches)

(₹ in lakhs)

Nature of Income	Year Ended 31.03.2019	Year Ended 31.03.2018
Income from software services (Project based)	140.60	160.84
Interest on loans to subsidiaries	5.04	4.65
TOTAL	**145.64**	165.49

34 DISCLOSURES REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

a. An amount of ₹ 63.26 lakhs (Previous Year ₹ 20.41 lakhs) and ₹ Nil (Previous Year ₹ Nil) was due and outstanding to suppliers as at the end of the accounting year on account of Principal and Interest respectively. (Refer Note 21)

b. No interest paid during the year.

c. No interest is due and payable at the end of the year.

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d. No amount of interest accrued and unpaid at the end of the accounting year.

e. No amount of further interest remaining due and payable even in the succeeding years

The above information regarding Micro and Small Enterprises has been determined 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. This has been relied upon by the auditors.

35 LEGAL AND PROFESSIONAL CHARGES INCLUDES PAYMENTS TO STATUTORY AUDITORS (EXCLUDING GST / SERVICE TAX)

(₹ in lakhs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
For audit	33.00	33.00
For taxation matters*	6.00	12.00
For limited reviews	12.00	12.00
For other services	28.95	14.11
Reimbursement of expenses	6.34	5.57
TOTAL	**86.29**	76.68

*paid to group firm

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 as per allocation made by the management and shown in the respective heads of the account is ₹ 1,367.85 lakhs (Previous Year ₹ 1,122.99 lakhs). This has been relied upon by the auditors.

37 EARNINGS PER SHARE IS CALCULATED AS FOLLOWS

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Net profit / (Loss) attributable to the equity shareholders (for basic / diluted EPS) (₹ in lakhs)	9.26	1,637.76
Weighted average number of equity shares		
For Basic EPS	4,60,78,537	4,60,78,537
Add: Effect of dilutive stock options	-	-
For Diluted EPS	4,60,78,537	4,60,78,537
Basic earnings per share (in ₹)	0.02	3.55
Diluted earnings per share (in ₹)	0.02	3.55
Face value ₹ per share	2/-	2/-

38 STOCK BASED COMPENSATION

a. During the financial year 2011-12, Remuneration and Compensation Committee of the Company had granted 900,000 Stock Options each under the Employee Stock Option Scheme – 2009 & 2010 totaling to 1,800,000 options at a price of ₹ 770/- to the eligible employees / Directors of the Company 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.

During the financial year 2012-13, Remuneration and Compensation Committee of the Company at their meeting held on March 05, 2013 has considered and approved the grant from reissue of lapsed / cancelled options of 1,86,630 Stock Options under the Employee Stock Option Schemes of which 74,350 options are granted under scheme-2009 and 1,12,280 options under scheme-2010 at a price of ₹ 807.70 to the eligible employees / Directors of the Company in terms of SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended from time to time.

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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 2009	March 14, 2012	9,00,000	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	March 14, 2012	9,00,000	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 2009 (reissue of lapsed / cancelled options)	March 05, 2013	74,350	807.70	05.03.2013 - 04.03.2014
			807.70	05.03.2013 - 04.03.2015
			807.70	05.03.2013 - 04.03.2016
ESOP 2010 (reissue of lapsed / cancelled options)	March 05, 2013	1,12,280	807.70	05.03.2013 - 04.03.2014
			807.70	05.03.2013 - 04.03.2015
			807.70	05.03.2013 - 04.03.2016

Each option entitle 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 was nil, since the options were granted at the market price of the equity shares on the date of grant. The options shall vest in three installments of 20%, 30% and 50% at the end of 1st year, 2nd year and 3rd year respectively from the date of the grant and were to be exercised within three months from vesting of options or as may be determined by the Remuneration and Compensation Committee. During the financial year 14-15, Remuneration and Compensation Committee of the Company has approved the modification of exercise period of 3 months from date of vest to three years from the date of vest (hereinafter referred as Modification 1). As approved by the Shareholders at the Annual General Meetings of the Company held on September 23, 2014, the Remuneration and Compensation Committee of the Company at their meeting held on October 01, 2014 has approved the modification of exercise price from ₹ 770.00 to ₹ 167.00 for grant dated 14th March 2012 and from ₹ 807.70 to ₹ 167.00 for grant dated March 05, 2013 (hereinafter referred as Modification 2). The tenure of the Schemes is for maximum period of five 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 2009 (Nos.)	ESOP 2010 (Nos.)
Options outstanding as at the beginning of the year	28,671	14,710
	(2,76,352)	(2,41,738)
Options granted during the year	-	-
	(-)	(-)
Options exercised during the year	-	-
	(-)	(-)
Options lapsed / forfeited / cancelled during the year	28,671	14,710
	(2,47,681)	(2,27,028)
Options outstanding as at the year end	-	-
	(28,671)	(14,710)
Options exercisable as at the year end	-	-
	(28,671)	(14,710)

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b. The Company has recognised ₹ Nil (Previous Year ₹ Nil) as expenses on employee stock option (ESOP) schemes in the Statement of Profit & Loss.

The details of pre modification and post modification values in respect of Modification 1 and Modification 2 are given below:

(₹ per Option)

Scheme Name	Grant Date	Fair value on date of grant	Fair value pre- Modification 1	Fair value post- Modification 1	Incremental value due to Modification 1	Fair value pre- Modification 2	Fair value post- Modification 2	Incremental value due to Modification 2	Total incremental value
ESOP 2009 & ESOP 2010	14-03-2012	249.05	(136.64)	80.45	217.09	47.72	109.41	61.69	278.78
ESOP 2009 & ESOP 2010	05-03-2013	238.67	(51.43)	104.27	155.70	62.12	139.71	77.59	233.29

Following parameters have been considered for calculating the weighted average fair value of each option using the Black-Scholes Option Pricing Formula:

Particulars	ESOP 2009 & ESOP 2010	
	Options granted during FY 2011-12	Options granted during FY 2012-13
a. On the date of grant during FY 2011-12 and reissue during FY 2012-13		
Expected volatility	42.18% to 45.94%	38.57% to 39.27%
Option life	1.13 years to 3.13 years	1.13 years to 3.13 years
Dividend yield	0.68%	0.74%
Risk-free interest rate	8.13% to 8.18%	7.80% to 7.83%
The weighted average fair value of each option on the date of grant / reissue is ₹ 249.05 / ₹ 238.67 respectively for options granted in FY 2011-12 and FY 2012-13 respectively.		
b. On the date of Modification 1		
Expected volatility	99.32% to 123.68%	85.92% to 124.01%
Option life	1.30 years to 2.10 years	1.29 years to 3.08 years
Dividend yield	1.03%	1.03%
Risk-free interest rate	8.76%	8.76% to 8.77%
c. On the date of Modification 2		
Expected volatility	103.61% to 127.97%	88.00% to 128.51%
Option life	1.23 years to 1.95 years	1.21 years to 2.93 years
Dividend yield	1.03%	1.03%
Risk-free interest rate	8.69% to 8.71%	8.67% to 8.71%

d. To allow for the effects of early exercise, it is assumed that the employees would exercise the options after vesting date.

e. 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.

39 EMPLOYEE BENEFIT PLANS

Defined contribution plans: The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contributions plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company has recognised following amounts as contributions in the statement of profit and loss as part of contribution to provident fund and other funds in Note 24 Employee benefits expenses.

Contribution to PF : ₹ 316.49 lakhs (Previous Year ₹ 297.00 lakhs)

Contribution to ESIC : ₹ 2.68 lakhs (Previous Year ₹ 4.74 lakhs)

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Post employment defined benefit plans:

Gratuity Plan (Included as part of contribution to provident fund and other funds in Note 24 Employee benefits expense): 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 funded status of the gratuity plan and amount recognised in the financial statements.

(₹ in lakhs)

	Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
I	**Change in defined benefit obligation during the year:**		
	Present Value of defined benefit obligation at the beginning of the year	1,564.38	1,459.79
	Interest Cost	122.96	109.78
	Current Service Cost	171.67	171.58
	Benefits Paid	(165.47)	(99.21)
	Actuarial (gain) / loss on obligations	26.62	(77.56)
	Obligation transferred	-	-
	Present Value of defined benefit obligation at the end of the year	**1,720.15**	1,564.38
II	**Change in fair value of plan assets during the year:**		
	Fair Value of the plan asset at the beginning of the year	1,288.66	1,071.31
	Expected return on plan assets	101.29	80.56
	Contributions	175.43	242.79
	Benefits paid	(165.47)	(99.21)
	Obligation transferred	-	-
	Actuarial gain / (loss) on plan assets	(11.08)	(6.80)
	Fair value of plan assets at the end of the year	**1,388.83**	1,288.66
	Excess of obligation over plan assets	**(331.32)**	(275.72)
III	**Components of employer's expense**		
	Current service cost	171.67	171.58
	Interest cost	122.96	109.78
	Expected return on plan assets	(101.29)	(80.56)
	Net actuarial (gain) / loss recognized	37.69	(70.76)
	Total expense / (credit) recognised in the Statement of Profit and Loss	**231.03**	130.03
IV	**Actual return on plan assets**	**90.21**	73.77
V	**Composition of Plan Assets as at the end of the year**		
	Insurer Managed Funds	1,388.83	1,288.66
	Fund is managed by LIC of India as per IRDA guidelines, category wise composition of planned asset is not available		
	TOTAL	**1,388.83**	1,288.66
VI	**Actuarial assumptions**		
	Discount rate	7.76%	7.86%
	Salary escalation rate	7.50%	7.50%
	Expected rate of return on plan assets	7.76%	7.86%

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forming part of the Financial Statements for the year ended March 31, 2019

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Attrition rate	For service 4 yrs. & Below 7.00% p.a. & 5.00% p.a. thereafter	For service 4 yrs. & Below 7.00% p.a. & 5.00% p.a. thereafter
Mortality rates	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

(₹ in lakhs)

VII Experience adjustments	2019	2018	2017	2016	2015
Defined benefit obligation	1,720.15	1,564.38	1,459.79	1,328.18	1,218.45
Fair value of planned assets	1,388.83	1,288.66	1,071.31	1,024.82	927.44
Funded Status - Deficit	331.32	275.72	388.47	303.36	291.01
Experience adjustment on plan liabilities [(Gain) / Loss]	9.58	9.58	9.58	9.58	15.30
Experience adjustment on plan assets [Gain / (Loss)]	(11.08)	(6.80)	(9.46)	(3.48)	(18.61)

VIII Sensitivity Analysis (Amount in ₹)

Description	Year Ended 31.03.2019	Year Ended 31.03.2018
Projected Benefit Obligation on Current Assumptions	17,20,16,082	15,64,38,879
Delta Effect of +1% Change in Rate of Discounting	(1,61,15,572)	(1,96,84,995)
Delta Effect of -1% Change in Rate of Discounting	1,88,79,694	2,36,83,116
Delta Effect of +1% Change in Rate of Salary Increase	1,87,40,309	2,35,29,905
Delta Effect of -1% Change in Rate of Salary Increase	(1,62,91,729)	(1,99,13,987)
Delta Effect of +1% Change in Rate of Employee Turnover	1,76,591	5,36,340
Delta Effect of -1% Change in Rate of Employee Turnover	(2,24,651)	(6,43,018)
The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.		
IX Maturity Analysis of Projected Benefit Obligation: From the Fund		
Projected Benefits Payable in Future Years from the date of Reporting		
1st Following Year	1,08,12,994	54,17,562
2nd Following Year	90,62,708	37,02,367
3rd Following Year	1,02,27,914	40,12,737
4th Following Year	97,52,037	49,90,537
5th Following Year	1,00,42,625	46,01,086
Sum of Years 6 to 10	6,01,11,338	3,41,78,475
Sum of Years 11 and above	34,81,30,964	51,17,76,821

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

The Company expects to contribute ₹ 349.97 lakhs (Previous Year ₹ 349.48 lakhs) to the plan assets in the immediate next year.

NOTES

forming part of the Financial Statements for the year ended March 31, 2019

40 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 Western Ghats Agro Growers Company Limited (WGAGL) (Subsidiary of NSEL)
7 Farmer Agricultural Integrated Development Alliance Ltd. (FAIDA) (Subsidiary of NSEL)
8 FT Group Investments Pvt. Ltd. (FTGIPL)
9 Financial Technologies Middle East- DMCC (FTME) (Subsidiary of FTGIPL)
10 Bourse Africa Limited (BAL) (Subsidiary of FTGIPL) (under liquidation)
11 Bourse Africa Clear Limited (BACL) (Subsidiary of BAL) (under liquidation)
12 Knowledge Assets Pvt. Ltd. (KAPL)
13 Financial Technologies Communications Ltd. (FTCL)
14 Global Payment Networks Ltd. (GPNL)
15 FT Knowledge Management Company Ltd. (FTKMCL)
16 Indian Bullion Market Association Ltd. (IBMA) (Subsidiary of NSEL)
17 Bourse Africa (Bostwana) Limited (BABL) (Subsidiary of FTGIPL) (under liquidation)
18 ICX Platform (Pty) Ltd. (ICX)
19 Credit Market Services Ltd. (CMSL)
20 Apian Finance and Investments Ltd. (APIAN)
21 Bahrain Financial Exchange BSC(c) (BFX) (Subsidiary of FTGIPL) (liquidated w.e.f 23 Oct, 2018)
22 BFX Clearing & Depository Corporation BSC(c) (Subsidiary of BFX) (liquidated w.e.f 08 Aug, 2018)
23 Financial Technologies Singapore Pte Ltd. (FTSPL)
24 FT Projects Ltd. (FTPL)
25 Adyna Solutions Pvt. Ltd. (Subsidiary of atom)

ii Key Management Personnel (KMP)

a. Executive directors:

1	Mr. S. Rajendran	:	Managing Director & CEO
2	Mr. Rajendra Mehta	:	Whole-time Director (upto 29 Nov, 2018)
3	Mr. Devendra Agrawal	:	Chief Financial Officer (upto 26 May, 2017) and Whole-time Director & CFO (w.e.f. 27 May, 2017)
4	Mr. Hariraj Chouhan	:	Company Secretary

b. Non-executive directors:

1 Mr. Venkat Chary (Retd. IAS)
2 Mr. A. Nagarajan (Retd. IAS)
3 Justice Rajan Kochar (Retd.)
4 Mr. Sunil Shah
5 Justice Deepak Verma (Retd.)
6 Mrs. Chitkala Zutshi (Retd. IAS)
7 Mr. Suresh Salvi (Retd. IAS)
8 Mr. Kanekal Chandrasekhar (w.e.f. 27.09.2017)
9 Mr. Berjis Desai (Ceased w.e.f. 26.05.2017)
10 Mr. Jigish Sonagara (Ceased w.e.f. 10.08.2017)
11 Mr. Devender Singh Rawat (w.e.f. 12.02.2019)

NOTES

forming part of the Financial Statements for the year ended March 31, 2019

iii Individuals / Entity owning, directly or indirectly, an interest in the voting power that gives control or significant influence.

1 La-fin Financial Services Pvt. Ltd. (La-fin)

2 Mr. Jignesh Shah

II Details of transactions with subsidiaries during the year ended 31st March, 2019 and balances outstanding as at 31st March, 2019

i Party-wise details of transactions with subsidiaries including step-down subsidiaries:

(₹ in lakhs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
1 Income from software products		
(IPR based license)		
FTME	97.70	90.45
	97.70	90.45
2 Income from software services		
(Sales Service Project based)		
TickerPlant	39.00	39.00
FTCL	13.62	22.63
	52.62	61.63
3 Other Operating revenue		
Business Support Services		
ATOM	135.42	126.86
APIAN	1.20	1.20
	136.62	128.06
4 Interest Income		
ICX	5.04	4.65
APIAN	41.00	31.69
CMSL	1.25	1.20
	47.29	37.54
5 Rental income from operating leases		
ATOM	133.61	176.28
TickerPlant	123.70	120.00
	257.31	296.28
6 Allowance for credit loss on loans to subsidiaries made earlier written back (Refer Note 48)		
APIAN	450.00	-
	450.00	-
7 Recoveries charged by the company towards expenses (Refer Note 29)		
ATOM	119.29	130.39
TickerPlant	126.29	130.86
FTCL	1.42	2.75
	247.00	264.00
8 Expenses charged to the Company		
FTCL	115.80	99.64
	115.80	99.64
9 Purchase of Fixed Assets		
TickerPlant	210.00	-
	210.00	-

NOTES

forming part of the Financial Statements for the year ended March 31, 2019

(₹ in lakhs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
10 Investment made		
TickerPlant	1,047.56	498.84
NSEL	1,477.13	3,081.66
	2,524.69	3,580.50
11 Allowance for expected credit loss in investments in subsidiaries		
NSEL	1,477.13	3,081.66
FTSPL	-	3,230.00
	1,477.13	6,311.66
12 Allowance for expected credit loss on advances		
ICX	5.00	4.69
CMSL	1.29	1.24
	6.29	5.93

(₹ in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
13 Loan Given		
Opening Balance		
ICX	162.10	162.10
APIAN	500.00	500.00
CMSL	19.00	19.00
	681.10	681.10
Balance as at end of year		
ICX	162.10	162.10
APIAN	500.00	500.00
CMSL	19.00	19.00
	681.10	681.10
14 Trade payable as at end of year		
FTCL	-	1.77
	-	1.77
15 Trade Receivables as at end of year		
ATOM	146.25	72.97
FTME	121.05	68.30
TickerPlant	52.65	54.99
	319.95	196.26
16 Rent receivable		
ATOM	141.30	99.60
TickerPlant	142.00	192.30
	283.30	291.90
17 Other receivables as at end of year		
ATOM	73.75	67.77
TickerPlant	151.58	141.59
FTSPL	-	2.72
FTCL	-	0.63
BAL	-	14.17
	225.33	226.89

NOTES

forming part of the Financial Statements for the year ended March 31, 2019

(₹ in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
18 Guarantees given by the Company on behalf of subsidiaries		
Opening Balance	225.45	225.45
Increase in guarantee given	-	-
Decrease in guarantee given	-	-
Closing Balance	**225.45**	225.45
19 Cumulative allowance for expected credit loss in the value of Investments		
ATOM	2,327.02	2,327.02
IBS	157.26	157.26
TickerPlant	2,756.58	2,756.58
Riskraft	635.57	635.57
FTKMCL	328.00	328.00
CMSL	524.99	524.99
NSEL	18,533.78	17,056.65
FTGIPL	72,337.53	72,337.53
FTSPL	25,464.26	25,464.26
ICX	499.13	499.13
	1,23,564.12	1,22,086.98
20 Cumulative allowance for expected credit loss on loans		
ICX	162.10	162.10
CMSL	19.00	19.00
	181.10	181.10
21 Cumulative allowance for expected credit loss on advances & trade receivables		
FTGIPL	2,878.28	2,878.28
CMSL	8.57	7.29
ICX	19.08	14.08
	2,905.94	2,899.65

III Transactions with Key Managerial Personnel (KMP), relatives of KMP and Entity over which KMP and relative of KMP can exercise significant influence:

(₹ in lakhs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
a Key Managerial Personnel (Executive directors & Company Secretary)		
Remuneration		
Short-term employee benefits	362.97	395.60
Post-employment benefits*	-	-
Other long-term benefits	-	-
Share-based payments	-	-
*Post-employment benefits which are actuarially determined on overall basis are not included.		
b Key Management Personnel (Non-executive directors)		
Director Sitting Fees	84.25	77.00
Commission	20.00	83.00
Consultancy Fees - Mr. Sunil Shah	24.00	24.00

NOTES

forming part of the Financial Statements for the year ended March 31, 2019

IV Transactions with Individuals owning, directly or indirectly, an interest in the voting power that gives control or significant influence:

(₹ in lakhs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Consultancy Fees *	300.00	275.00

*Amount paid to Mr. Jignesh Shah for providing strategic input in relation to ongoing legal matters and mentoring Company's future vision.

41 LOANS AND ADVANCES IN THE NATURE OF LOANS (AS REQUIRED BY REGULATION 34 (3) AND 53(F) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURES REQUIREMENTS) REGULATION, 2015.

(₹ in lakhs)

Name of the Company	Relationship with Company	As at 31.03.2019	As at 31.03.2018
Apian Finance & Investment Ltd.	Subsidiary	500.00	500.00
Credit Market Services Ltd.	Subsidiary	19.00	19.00
ICX Platform (Pty) Ltd.	Subsidiary	162.10	162.10
TOTAL		**681.10**	681.10

Notes:

i. Loans to employees as per the Company's policy are not considered.
ii. None of the loanees have made investments in the shares of the Company.
iii. Figures disclosed above are without reducing amount of expected credit loss on loans.

42 During the previous year ended March 31, 2018, transaction relating to granting license of the application software PowerARMS™ DAM, Power ARMS™ TAM & REC, Back Office and SLDC software along with source code to Indian Energy Exchange (IEX) was completed and the Company had recognized revenue of ₹ 9,720.00 lakhs. During the current year balance of ₹ 1,080.00 lakhs which was kept in escrow account as per the term of agreement was released and included in revenue. The said license is perpetual, irrevocable, non-transferable and non-assignable.

43 During the year, Bahrain Financial Exchange BSC (c) (BFX), which is a stepdown subsidiary through FT Group Investments Pvt. Ltd., a Mauritius based entity, along with its subsidiary, BFX Clearing and Depository Corporation B.S.C (c) (BCDC) were dissolved and final distributions were made to shareholders.

44 During the previous year, the Securities Exchange License of step down subsidiaries Bourse Africa Limited (BAL), a wholly owned subsidiary of FT Group Investments Pvt. Ltd. (FTGIPL), Mauritius was terminated together with Clearing & Settlement Facility License of BAL's wholly owned subsidiary Bourse Africa Clear Limited (BACL). During the year, management of these companies has appointed liquidator to wind up the companies.

45 During the year, in order to meet the working capital requirements of NSEL, the Company has subscribed to the right issues made by NSEL to the extent of ₹ 1,477.13 lakhs (Previous Year ₹ 3,081.66 lakhs). On conservative basis, the Company has made allowance for expected credit loss in value of long term investments in its subsidiaries including NSEL to the extent of ₹ 1,477.13 lakhs (Previous Year ₹ 6,311.66 lakhs). (Refer Note No. 28).

46 During the quarter ended June 2018, NSEL discharged its liability towards invocation of Corporate Guarantee provided by the Company to a bank to the extent of Principal amount of ₹ 3,143.25 lakhs, out of partial recovery of dues from NAFED for which corporate guarantee was provided. Since the amount was earlier / previous year written off in the Company's books, it was written back in quarter ended June 2018. Subsequently some parties filed Notice of Motion and Contempt Petition before the Hon'ble Bombay High Court, wherein the Plaintiffs have wrongly alleged that NSEL and 63 moons are in contempt of court by having willfully and deliberately breached the Orders of the Court. By way of abundant caution and without prejudice to its rights, remedies and defenses in the said Notice of Motion and Contempt Petition or otherwise, the Company has, after due deliberations and consideration, returned the said Amount to NSEL in January 2019. Hence the earlier reversal carried out in the Quarter ended June 2018 has been reversed during the quarter ended December 2018.

47 The Company has executed a Share Purchase Agreement (SPA) with NTT Data Corporation, Japan, for sale of 28,69,14,688 equity shares in Atom Technologies Limited, a subsidiary of the Company, for an aggregate consideration of USD 9.24 million. The completion and closure of the said transaction is subject to fulfilment of certain customary closing conditions and the Company obtaining necessary Orders / approvals from the relevant Courts and National Company Law Appellate Tribunal in respect of the said transaction.

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forming part of the Financial Statements for the year ended March 31, 2019

48 In an earlier year, in view of one of its wholly owned subsidiaries' inability to service loan from the Company due to non-recoverability of certain outstanding loans, the Company had waived partial loan due from the subsidiary. Since the subsidiary has recovered an amount of ₹ 450.00 lakhs, the waiver of loan has been reversed to that extent which is grouped under other income.

49 The Company has a total MAT credit entitlement of ₹ 8,950.29 lakhs as at March 31, 2019. During the year the Company has utilized MAT credit of ₹ 165.33 lakhs. The management of the Company is confident that the Company will be able to utilize balance MAT entitlement in future unexpired years.

50 As per Section 135 of the Companies Act 2013, during the year the Company was required to spend ₹ 45.30 lakhs (Previous year ₹ 56.72 lakhs) towards a Corporate Social Responsibility (CSR) which, as in earlier years, was transferred to a separate bank account earmarked for this purpose. During the year, an amount ₹ 151.60 lakhs (Previous year ₹ 387.95 lakhs) were utilized on the activity specified in Schedule VII of the Companies Act, 2013 from such earmarked amounts.

51 During the previous year ended March 31, 2018, certain perpetual bonds of various reputed banks in which the Company had invested were prematurely redeemed on their own by the respective banks on account of RBI placing the banks under Prompt Corrective Action (PCA) as regulatory event and without any instructions / action of the Company. The original call dates of each of the aforesaid Bonds were much later in time, with the earliest being January 12, 2020, however these banks opted for premature redemptions. Consequently, the Company had recognized impairment loss to the extent of ₹ 3,145.92 lakhs in respect of these bonds which has been shown under exceptional items in previous year.

52 The Company has investment in 11.50% Non-Convertible Debentures and 11.80% Non-Convertible Debentures issued by IL&FS Transportation Networks Ltd. (ITNL) (subsidiary of Infrastructure Leasing & Finance Ltd. – ILFS) amounting ₹ 10,000.00 lakhs each (face value) which shall mature in June & December 2024 respectively. The debentures are secured by way of charge on certain assets of ITNL. The ILFS group has been facing severe liquidity crisis. The National Law Tribunal has allowed the government to supersede the board of ILFS and appoint its nominees. The new board has initiated the efforts under supervision of NCLT to monetise the assets of ILFS group companies to reduce their debts, outcome of which is awaited. The Company is monitoring developments and has filed application with NCLAT for seeking impleadment in matter of ILFS as financial creditor. In view of above, the Company is unable to estimate any allowance for expected credit loss for these investments. Further, ITNL has defaulted on half yearly interest payment which was due in January 2019 and hence on conservative basis, the Company has estimated credit loss to the extent of 100% interest due till March 31, 2019 amounting to ₹ 1,618.27 lakhs and derecognised.

53 The writ petition filed by the Company challenging the legality and propriety of the Forward Markets Commission's ('FMC') order on the Company inter alia declaring "not a fit & proper person" is pending for hearing before the Hon'ble Bombay High Court. Solely based on FMC order, Security and Exchange Board of India (SEBI) and Central Electricity Regulatory Commission (CERC) declared not a fit and proper person to hold shares in recognized stock exchanges and power exchanges respectively. The Company has filed civil appeals before the Hon'ble Supreme Court challenging the SEBI order and CERC order. The Hon'ble Supreme Court disposed the civil appeal filed against SEBI order with direction to pursue FMC order before the Hon'ble Bombay High Court along with liberty to move again the Hon'ble Supreme Court in the event FMC order set aside. The civil appeal against CERC is pending for hearing.

54 The Company has challenged EOW letter dated February 28, 2015 before the Hon'ble Bombay High Court wherein the Hon'ble Bombay High Court by its order dated June 12, 2015 granted a stay to EOW letter dated February 28, 2015 on the condition that the Company shall deposit ₹ 8,400.00 lakhs from the sale proceeds of IEX within four weeks from completion of sale of IEX. Accordingly, the Company has deposited ₹ 8,400.00 lakhs with the Registrar, Criminal Appellate Side, High Court, Bombay. The matter is pending for hearing before the Hon'ble Bombay High Court.

55 The Hon'ble Bombay High Court passed an ad interim order inter alia restraining the Company from distributing any dividend or depositing the same in the dividend distribution account in accordance with the provisions of the Companies Act, 1956 (to be read as Companies Act, 2013) pending the final hearing and disposal of the Notice of Motion. This Notice of Motion was filed in one of the suits. In compliance to the said order, the Company has not distributed the final dividend for the financial year 2014-15 @ ₹ 5/- per share amounting to ₹ 2,303.93 lakhs, to the shareholders pursuant to the directions of the Hon'ble Bombay High Court and hence is not in default in compliance with the statutory provisions under the Companies Act, 2013. Further, the shareholders of the Company have approved final dividend for year 2016-17 and 2017-18 @ ₹ 2/- per share for each year, aggregating to ₹ 1,843.14 lakhs, subject to appropriate judicial order which is also pending for distribution to the shareholders due to aforesaid restrictions. All the Notice of Motions and the Contempt Petitions filed against the Company have been tagged together and pending for hearing.

On May 27, 2019, the Board of Directors of the Company have proposed a final dividend of ₹ 2/- per share in respect of the year ended March 31, 2019 subject to the approval of shareholders at the Annual General Meeting and appropriate judicial order. If approved, it would result in a cash outflow of approximately ₹ 1,084.20 lakhs, inclusive of corporate dividend tax of ₹ 189.43 lakhs. The distribution of dividend is subject to appropriate Judicial order.

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forming part of the Financial Statements for the year ended March 31, 2019

56 On February 12, 2016, Ministry of Corporate Affairs ("MCA") passed a final order of amalgamation (Final Order) of National Spot Exchange Limited (NSEL) with the Company under Section 396 of the Companies Act, 1956. The Company had challenged the Final Order by way of a Writ Petition before the Hon'ble Bombay High Court, which was dismissed by the Hon'ble Bombay High Court by its order dated December 4, 2017. The Company filed a Special Leave Petition against the said order dated December 4, 2017 before the Hon'ble Supreme Court of India. The Hon'ble Supreme Court of India was pleased to allow the appeal and set aside the order dated December 4, 2017 and was pleased to held that the amalgamation order dated February 12, 2016 is ultra vires Section 396 of the Companies Act, and violative of Article 14 of the Constitution of India.

57 The Union of India, through the Ministry of Corporate Affairs ("MCA"), has filed the Company Petition inter alia under Sections 397 and 398 read with Section 388B, 388C, 401, 402, 403, 406 and 408 of the Companies Act, 1956 (the "Act") before the Principal Bench of the Company Law Board at New Delhi (the "CLB"), inter-alia seeking removal and supersession of the Board of Directors of the Company. Subsequently, the matter was transferred to NCLT, Chennai. The NCLT has as interim arrangement with consent formed a committee to consider sale of the assets of the Company pursuant to regulatory directions / requirements, treasury management and funding requirements of the subsidiaries ('Committee'). The NCLT vide its order dated June 4, 2018, rejected the prayer of the Union of India for removal and supersession of the entire Board of the Company and ordered MCA to nominate three directors on the board of the Company. The Company has preferred appeal before the NCLAT, Delhi, against the said NCLT order. The NCLAT was pleased to stay the NCLT order. As interim arrangement, while pending the appeal functioning of Committee is continued. The appeal is pending for hearing.

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

b. First Information Reports (FIRs) have been registered against various parties, including the Company, with the Economic Offences Wing, Mumbai (EOW) and Central Bureau of Investigation (CBI) in connection with the counter party payment default on NSEL trading platform. After investigation, EOW, Mumbai has presently filed 4 charge-sheets in the matter. The Company has been named in the charge sheet in December, 2018 copy of which was received by the Company in April, 2019. CBI has filed charge-sheets including against the Company for alleged loss caused to PEC Ltd. & MMTC Ltd. on NSEL platform and the case is pending for trial before the CBI court.

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

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

59 a. The Company has filed a Writ Petition before the Bombay High Court challenging inter alia, the provisions of the MPID act are violative of the Constitution and the notification dated September 21, 2016, attaching the assets of the Company under the provisions of the MPID. The matter is reserved for order.

b. The State Government under the MPID Act has attached several Bonds, bank accounts, investments, Fixed Deposits and ODIN software and its receivables of the Company vide gazette notifications dated April 04, 2018, April 07, 2018, April 11, 2018, April 17, 2018, April 19, 2018 May 15, 2018, September 19, 2018 and corrigendum dated September 27, 2018, the Competent Authority has filed Misc. Applications before the MPID Court to make absolute the attached properties mentioned in aforesaid gazette notifications. The Company has filed a writ petition before the Hon'ble Bombay High Court challenging the legality and validity of the aforesaid notifications. The Hon'ble Bombay High Court while admitting writ petition has granted stay to notifications. The writ petition is reserved for order.

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

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forming part of the Financial Statements for the year ended March 31, 2019

61 The Serious Frauds Investigation Office ('SFIO') published a Public Notice during December 2016 in a newspaper wherein it has been mentioned that the Central Government had directed the SFIO to investigate into the affairs of the Company. SFIO has concluded its investigation and filed report to Central Govt.

62 Modulus Financial Engineering filed a copyright infringement suit against the Company claiming that the Company had breached the license granted by Modulus to the Company in the use of its ODIN software. The Company has denied all these claims in its reply and written statement. The Notice of Motion seeking interim relief against the Company has been disposed of by a consent order. The suit is pending for final hearing and disposal.

63 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

Venkat R Chary
Chairman
DIN: 00273036

S. Rajendran
Managing Director & CEO
DIN: 02686150

Hariraj Chouhan
Company Secretary

Devendra Agrawal
Whole-time Director & CFO
DIN: 03579332

Place : Mumbai
Date : May 27, 2019

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the members of 63 moons technologies limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

QUALIFIED OPINION

We have audited the accompanying consolidated financial statements of **63 moons technologies limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") which comprise the consolidated balance sheet as at 31 March 2019, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended, and notes to consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on financial statements (separate / consolidated) of subsidiaries as was audited by the other auditors, *except for the possible effects of the matter specified under Basis for Qualified Opinion section of our report,* the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (hereinafter referred to as "the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including and Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, of consolidated state of affairs (financial position) of the Group as at 31 March 2019, the consolidated profit / loss (financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year then ended.

BASIS FOR QUALIFIED OPINION

1. *Note No. 57, 58, 59 and 60 form basis for our qualified opinion. As stated by the Management of the Company in Note 57 to the consolidated financial statements, Civil Suits have been filed against the Company in relation to event occurred on NSEL's trading platform. These matters are pending at various stages of adjudication. As stated in the said note, the management of the Company does not foresee that the parties who have filed Civil Suits would be able to sustain any claim against the Company. In addition, as stated by the management in note 57, 58, 59 and 60 to the consolidated financial statements, there are First Information Reports / complaints / letters / orders / notices registered / received against various parties including the Company from / with the Economic Offences Wing of the Mumbai Police (EOW), Central Bureau of Investigation (CBI), Home Department - Government of Maharashtra under MPID Act and the Directorate of Enforcement and the Serious Fraud Investigation Office (SFIO), closure report etc. Above matters are pending at various stages of adjudication / investigation.*

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

   In the light of the above representations regarding the ongoing investigations and matters, the outcome of which is not known and is uncertain at this stage, we are unable to comment on the consequential impact in respect of the same on the consolidated financial statements for the year ended 31 March 2019.

2. *We reproduce hereunder the 'Basis for Qualified Opinion' issued by the independent auditor(s) of a subsidiary viz. National Spot Exchange Limited ('NSEL') vide their audit report on the consolidated Ind AS financial statement of NSEL, to the extent the same are found significant as per the Guidance issued by the Institute of Chartered Accountants of India, from time to time and which also forms the basis for qualified opinion in our audit report on the accompanying consolidated Ind AS financial Statements of the Group:*

   a) *"As stated in Note No. 63, 68 and 70 to the Consolidated Ind AS Financial Statement, the Company has been served with notices / letters / summons from various statutory authorities / regulators / government departments and some purported aggrieved parties, pertaining to the period prior to suspension of the exchange related operations from 31st July 2013.There are some writ petitions, public interest litigations, civil suits including in representative capacity filed by and against the Company. Such matters against the Company are sub-judice before different forums. The Group may be exposed to civil / criminal liabilities in case of any adverse outcome of these investigations / enquiries or legal cases or any other investigations as referred above enquires or suits which may arise at a later date.*

      In the light of the above, the outcome of which is not presently known and is uncertain at this stage, hence we are not able to comment on the current or consequential impact if any, in respect of the same on these Consolidated Ind-AS Financial Statements. Also, the matters stated above could also have a consequential impact on the measurement and disclosure of information provided, but not limited to, Balance Sheet, Statement of profit / (loss) account, cash flow, statement statement of change in equity (SOCIE) and earnings per share (EPS) for the year ended and as at 31 March, 2019 in these Consolidated Ind AS Financial Statements."[Refer Note 71 of the consolidated Ind AS financial statements of the Group]

   b) *"The trade receivables, other receivables, loans and advances and deposits are subject to confirmation and reconciliation. The management, however, does not expect any material changes on account of such reconciliation / confirmation from parties. In many cases legal notices have been sent to the parties in earlier years; however, we are unable to form any opinion on the recoverability of the outstanding balances of such parties."*

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the *Code of Ethics issued* by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit report of other auditors referred to in *Other matters* below is sufficient and appropriate to provide a basis for our qualified opinion.

INDEPENDENT AUDITOR'S REPORT

To the members of 63 moons technologies limited

EMPHASIS OF MATTERS

1. We draw attention to Note 56 to the consolidated financial statement of the Group. 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 Holding Company. The matter is pending before National Company Appellate Tribunal ("NCLAT") and is currently *sub-judice*

2. We draw attention to Note 46 to the consolidated financial statement of the Group, regarding utilisation of unexpired MAT credit entitlement by the Company. The Company has a total MAT credit entitlement of ₹ 9,018.43 lakhs as at 31 March 2019. Based on the projections made by the Holding Company's Management regarding income-tax liability of the Holding Company, Management is of the view that the Holding Company will be able to utilise the unexpired MAT credit entitlement in eligible projected years.

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

KEY AUDIT MATTERS (KAM'S)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements taken as a whole, in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the key audit matters as described below:

KAM's from standalone financial statements which are also part of the consolidated financial statements:

A. Determination of fair value of carrying amount of investments
B. Accounting treatment for contracts with customers
C. Contingent Liabilities

A. Determination of fair value of carrying amount of investments

Description of key audit matter:

The company has investments net of provision of ₹ 1,01,625.15 lakhs as at 31 March 2019 consisting of Investments in the equity instruments of subsidiaries, third party bonds, mutual funds, other equity instruments etc. and are valued as per Ind AS 109, "Financial instruments". By their nature, these are subjected to various factors related to respective investee entities including but not limited to, economic factors, business dynamics, financial performance etc and impact a fair valuation of these investments. Accordingly, this necessitates a close monitoring by the management of these situations and judgement, based on appropriate evaluation criteria to arrive at a fair value of carrying amounts of these assets as at balance sheet date. Against this background, this matter was of significance in the context of our audit.

Description of Auditor's response:

We have carried out a comparison between carrying value of investment as at balance sheet date and net-worth as reflected by latest audited financials of investee companies. Wherever carrying amount of investment is more than the net-worth of investee company we have discussed and enquired with the management the process followed by them to identify permanent diminution, if any, in the value of investment and necessary accounting treatment adopted in the books. In addition, management has provided us with the future business plans and how in their business judgement such gap between investment and net-worth of the investee is either compensated with improving business conditions or valuations of such entities. In case of business valuations carried out by third party professionals and provided to us by the management of some of the investee companies, we have verified reasonableness of the assumptions, source data considered etc. while arriving at valuation. Going forward our regular audit procedures are designed to keep a follow up on outcomes of these management assertions.

B. Accounting treatment for contracts with customers

Description of key audit matter:

Revenue amounting to ₹ 26,113.05 lakhs reported in the company's financial statements pertains to customer specific contracts and the same are required to satisfy the recognition and measurement criteria as prescribed in IND AS 115, 'Revenue from Contracts with Customers'. Company's revenue is bifurcated into two main parts (a) revenue from software products (IPR based licenses) and (b) revenue from software services. Certain contracts necessarily involve estimations and certain assumptions to be made by the management in determining the quantum of revenue to be recognised in specific period. This inherently creates certain uncertainties and results in complexities in accounting treatment wherein incorrect assumptions and estimates can lead to revenue being recognised in incorrect accounting periods thereby impacting the results. Considering these factors, in the context of our audit this matter was of significance and hence a key audit matter.

Description of Auditor's response:

With a view to verify the reasonableness of the revenue accounting we carried out following procedures:

a) Understanding the internal control environment for revenue recognition and to test check with a view to verify its operating effectiveness;
b) Major contracts were read and analysed to verify correctness of accounting of revenue as calculated by the Company's Management;
c) Discussed with the management process of identification of variable consideration and verified the working on test basis;
d) Verified the working of unbilled revenue and unearned revenue on test basis;
e) Performed analytical procedures and obtained reasons for major variances;
f) Ensured that revenue is recognized in accordance with accounting policy of the Company and Ind AS 115;

INDEPENDENT AUDITOR'S REPORT

To the members of 63 moons technologies limited

C. CONTINGENT LIABILITIES

Description of Key Audit Matter

Contingent liabilities as at 31 March 2019 amounted to ₹ 37,817.86 lakhs, which mainly include pending income-tax matters and certain legal cases other than those forming basis for our qualified opinion. Contentious income tax matters relate to interpretational differences between the company and various tax authorities, certain matters subjected to internal circulars and guidelines within tax authorities irrespective of stated legal provisions sometimes requiring decision making only by higher tax authorities through appellate procedures resulting in delays in outcome. Given the current legal and operational embargo that the company is facing, it is subjected the multiple litigations by and on the company sub-judice at various courts and levels requiring the Company's Management to exercise significant judgement on these outcomes to determine the liabilities that are contingent in nature. Considering these factors, in the context of our audit, this matter was of significance and hence a key audit matter.

Description of Auditor response

With a view to ensure that disclosures made by the company in Note No. 32 are determined appropriately and prudently, we obtained information of pending income-tax matters from the Company and have obtained / verified the documents including the communication with the departments provided by the Company. In addition, we have carried out comparison with respect to previous year and obtained / reviewed documentation for additional tax matters arisen during the year. Our tax team has carried out discussions with the Company's internal tax team on these cases mainly with respect to issues raised by various tax authorities in their communication to the company to substantiate company's assessment that there are no present obligations perceived.

With respect to legal cases disclosed to us, we have obtained updates on pending cases from the management and discussed it with the Company's internal legal department, wherever necessary. We carried out a comparison between the latest status and immediate previous status. While comparing, we have tried to ascertain the appropriateness, without being judgemental, of the management judgement exercised in updating to the latest status and have tried to evaluate an impact on such ascertainment of whether the company liabilities to which it is contingently liable are appropriately ascertained with prudence principle.

KAM's from other subsidiaries which are also part of the consolidated financial statements:

We reproduce hereunder the 'Key Audit Matters' issued by the independent auditor(s) of a subsidiary viz. National Spot Exchange Limited ('NSEL') vide their audit report on the consolidated Ind AS financial statement of NSEL, to the extent the same are found significant as per the Guidance issued by the Institute of Chartered Accountants of India, from time to time and which also forms the basis for key audit matters in our audit report on the accompanying consolidated Ind AS financial Statements of the Group:

a) As stated in note no. 2.3 of the Consolidated Ind AS Financial Statements, the Board of Directors of the Company is of the view that in the short term, its main challenge is to recover the money from defaulting members. As explained by the management, the Company is making all out efforts in recovering the amounts from defaulter members for settlement as well as its trade and other receivables. Order issued by Hon'ble High Court for merger of the Company with Holding company has been set aside by Hon'ble Supreme court vide order dated 30th April, 2019. Holding Company has committed to continue the financial support to the Company by way of infusion of capital into the Company and on the basis of such support, these financial statements for the year ended 31 March, 2019 are prepared on going concern basis. We have relied on the above-mentioned explanations and information given by the management.

As stated in Note No. 63, 68 and 70 of the Consolidated Ind AS Financial Statements, In the light of some of the litigations made against the NSEL by seller members, trading and clearing members as also defaulter members, holding NSEL responsible as third party / central party counter guarantor, for ensuring payments towards pending settlements on Spot Exchange, which have arisen in that financial year. In this regard, the management and those charged with the governance, have represented to us that there are no claims / litigations / potential settlements involving the Company directly or indirectly, which may require adjustments in the Consolidated Ind AS Financial Statements. In this regards the management believes that as per legal advice received from an expert, no such third party / central party counter guarantee was ever provided by the Company, and hence there shall not be any liability arising there from against the Company.

Based on the additional procedures performed by us, we have not come across any instance requiring material adjustment to the consolidated financial statement having pervasive impact in the context of an audit opinion on these financial statements.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON (HEREINAFTER REFERRED AS "OTHER INFORMATION")

The Holding Company's Management and Board of Directors are responsible for the preparation of other information. The other information comprises the Director's Report including any annexures thereto, Corporate Governance Report and Management Discussion and Analysis included in the Holding Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon.

These reports are expected to be made available to us after the date of this auditor's report. Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read these reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable as per applicable laws and regulations.

INDEPENDENT AUDITOR'S REPORT

To the members of 63 moons technologies limited

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to preparation and presentation of these consolidated financial statements in term of the requirements of the Act, that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS. The respective management and Board of Directors of the companies included in the consolidated financial statements are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements / consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each Company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

A. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

B. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls

C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

D. Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statement and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

E. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

F. Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT

To the members of 63 moons technologies limited

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

We did not audit the Ind AS financial statements of twelve subsidiaries and consolidated Ind AS financial statements of three subsidiaries included in the consolidated Ind AS financial statements of the Group, whose Ind AS financial statements / consolidated Ind AS financial statements reflect total assets of ₹ 73,548 lakhs and net assets of ₹ (38,345) lakhs as at 31 March 2019; as well as the total revenue of ₹ 16,972 lakhs and net cash flow amounting to ₹ (2,567) lakhs for the year then ended.

These Ind AS financial statements / consolidated Ind AS financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated Ind AS financial statements, to the extent they have been derived from such Ind AS financial statements / consolidated Ind AS financial statements is based solely on the report of such auditors.

Certain subsidiaries are located outside India and their financial statements / consolidated financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's Management has converted the financial statements of these subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's Management. Our opinion in so far as it relates to the balances and affairs of these subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in the other matter paragraph, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Our opinion on the consolidated financial statements and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by section 143(3) of the Act, based on our audit and on the consideration of report of other auditors on financial statements (separate / consolidated) of such companies as was audited by them and as mentioned in the *'Other Matters'* paragraph, we report, to the extent applicable, that:

A. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

B. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of other auditors.

C. The consolidated balance sheet, the consolidated statement of profit and loss, the consolidated statement of cash flows and consolidated statement of changes in equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

D. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.

E. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of subsidiary companies which are incorporated in India, none of the directors of the Group companies which are companies incorporated in India, is disqualified as on 31 March 2019 from being appointed as a director in terms of section 164(2) of the Act;

F. With respect to the adequacy of internal financial controls over financial reporting of the Group which are companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in **"Annexure A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting.

G. With respect to the other matters to be included in the auditor's report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group, which are companies incorporated in India, where applicable, to its directors during the year is in accordance with the provisions of section 197 of the Act.

INDEPENDENT AUDITOR'S REPORT

To the members of 63 moons technologies limited

H. With respect to the other matters to be included in the auditor's report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. the consolidated financial statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated financial position of the Group, *to the extent it is ascertainable* (Refer Note 32 to the consolidated financial statements and 'Basis for Qualified Opinion');

   ii. the Group has made provision in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable loses, if any, on long term contracts including derivative contracts;

   iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group including its associates and joint-ventures, which are companies incorporated in India.

For Sharp & Tannan Associates,
Chartered Accountants
Firm's Registration No.: 109983W

Tirtharaj Khot
Partner
Membership No.: (F) 037457

Mumbai: 27 May 2019

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph(f) under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

Report on the Internal Financial Controls
Under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

OPINION

We have audited the Internal Financial Controls over Financial Reporting of **63 moons technologies limited** (hereinafter referred as "the Holding Company") and its subsidiary companies incorporated in India (the Holding Company and its subsidiaries together referred to as "the Group"), as of 31 March 2019 in conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reports of other auditors referred to in other matters paragraph below, the Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable, to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors of the subsidiary companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

OTHER MATTERS

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to twelve subsidiaries, which are companies incorporated in India, is solely based on corresponding reports of the auditors of such Companies.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph(f) under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Sharp & Tannan Associates,
Chartered Accountants
Firm's Registration No.: 109983W

Tirtharaj Khot
Partner
Membership No.: (F) 037457

Mumbai: 27 May 2019

BALANCE SHEET

as at March 31, 2019

(₹ in lakhs)

Particulars	Note	As at 31.03.2019	As at 31.03.2018
ASSETS			
Non-current assets			
Property, plant and equipment	6	25,027.69	25,601.10
Capital work-in-progress		-	346.03
Investment properties	7	11,079.03	10,481.87
Other intangible assets	8	279.62	154.65
Financial assets			
i. Investments	9	84,392.57	89,983.54
ii. Loans	10	56.28	71.08
iii. Other financial assets	11	22,139.87	12,470.90
Deferred tax assets	31	89.69	213.56
Other non-current assets	12	19,815.20	18,840.59
TOTAL NON-CURRENT ASSETS		**1,62,879.95**	1,58,163.32
Current assets			
Inventories	13	1.40	8.30
Financial assets			
i. Investments	9	17,232.58	64,210.90
ii. Trade receivables	14	7,013.91	4,479.72
iii. Cash and cash equivalents	15	16,978.27	59,892.45
iv. Bank balances other than (iii) above	16	96,531.54	20,106.77
v. Loans	10	505.27	545.65
vi. Other financial assets	11	30,589.32	43,168.13
Current tax assets	31	1,284.94	399.02
Other current assets	12	12,714.27	8,138.87
TOTAL CURRENT ASSETS		**1,82,851.50**	2,00,949.81
TOTAL ASSETS		**3,45,731.45**	3,59,113.13

BALANCE SHEET (CONTD.)

as at March 31, 2019

(₹ in lakhs)

Particulars	Note	As at 31.03.2019	As at 31.03.2018
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	17	921.57	921.57
Other equity		3,16,836.67	3,19,407.42
Equity attributable to equity holders of the Company		3,17,758.24	3,20,328.99
Non-controlling interests		188.01	207.21
TOTAL EQUITY		**3,17,946.25**	3,20,536.20
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
i. Borrowings	18	256.55	-
ii. Other financial liabilities	19	180.58	-
Provisions	20	596.54	590.06
Other non-current liabilities	22	7.24	131.06
TOTAL NON-CURRENT LIABILITIES		**1,040.91**	721.12
Current liabilities			
Financial liabilities			
i. Borrowings	18	176.70	10,114.36
ii. Trade payables	21		
- Due to micro and small enterprises		70.12	24.82
- Due to others		4,660.09	3,873.90
iii. Other financial liabilities	19	16,262.99	16,515.18
Other current liabilities	22	5,016.82	6,877.12
Provisions	20	557.57	450.43
TOTAL CURRENT LIABILITIES		**26,744.29**	37,855.81
TOTAL LIABILITIES		**27,785.20**	38,576.93
TOTAL EQUITY AND LIABILITIES		**3,45,731.45**	3,59,113.13

See accompanying notes forming part of the consolidated financial statements 1 to 81

In terms of our report attached

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

Tirtharaj Khot
Partner
Membership No.: (F) 037457

Place : Mumbai
Date : May 27, 2019

For and on behalf of the Board

Venkat R Chary
Chairman
DIN - 00273036

S. Rajendran
Managing Director & CEO
DIN - 02686150

Hariraj Chouhan
Company Secretary

Devendra Agrawal
Whole-time Director & CFO
DIN - 03579332

Place : Mumbai
Date : May 27, 2019

STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2019

(₹ in lakhs)

Particulars	Note	Year Ended 31.03.2019	Year Ended 31.03.2018
CONTINUING OPERATIONS			
Revenue from operations	23	26,113.05	32,225.08
Other income	24	20,308.39	20,612.70
TOTAL INCOME		**46,421.44**	52,837.78
EXPENSES			
Purchases of stock-in-trade	25	450.67	402.68
Employee benefits expense	26	14,647.17	13,864.66
Finance costs	27	440.36	969.88
Depreciation and amortisation expense	28	2,602.52	2,995.35
Other expenses	29	30,395.82	25,375.09
TOTAL EXPENSES		**48,536.54**	43,607.66
Profit / (Loss) before exceptional item and tax		**(2,115.10)**	9,230.12
Exceptional items	30	(297.05)	(2,686.43)
Profit / (Loss) before tax		**(2,412.15)**	6,543.69
Tax expense / (credit)	31		
Current tax expense		991.74	6,429.97
Deferred Tax expense		140.91	(1,073.07)
TOTAL TAX EXPENSES		**1,132.65**	5,356.90
Profit / (Loss) after tax before share of profit minority interest		**(3,544.80)**	1,186.79
Net minority interest in profit / (Loss) of subsidiaries		(19.20)	(20.42)
Profit / (Loss) for the year		**(3,525.60)**	1,207.21
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the Net Defined Benefit (Liability) / Asset		(29.83)	36.67
Items that will be reclassified subsequently to profit or loss			
Loss on reclassification of financial asset from amortised cost to fair value		-	2,047.94
Total Other Comprehensive Income (net of tax)		**(29.83)**	2,084.61
Total comprehensive income for the period		**(3,555.43)**	3,291.82
Earning per share			
Basic & Diluted per share (in ₹)		(7.65)	2.62
Face Value Per Share (in ₹)		2.00	2.00
See accompanying notes forming part of the consolidated financial statements 1 to 81			

In terms of our report attached
For Sharp & Tannan Associates,
Chartered Accountants
(Firm's Registration No.: 109983W)
by the hand of

Tirtharaj Khot
Partner
Membership No.: (F) 037457

Place : Mumbai
Date : May 27, 2019

For and on behalf of the Board

Venkat R Chary
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Managing Director & CEO
DIN - 02686150

Devendra Agrawal
Whole-time Director & CFO
DIN - 03579332

Place : Mumbai
Date : May 27, 2019

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2019

(₹ in lakhs)

Particulars	Equity Share Capital	RESERVES AND SURPLUS						
		Capital reserve	Capital reserve on consoli-dation	Securities premium reserve	General Reserve	Statutory reserve	Security Guar-antee Fund	FCMITDA*
Balance at 1 April 2017	**921.57**	**147.59**	**288.45**	**41,746.61**	**30,197.91**	**61.08**	**123.46**	**(196.32)**
Changes in equity for the year ended March 31, 2017								
Transfer to general reserve	-	-	-	-	2,222.07	-	-	-
Share based payment to employees	-	-	-	-	-	-	-	-
Transfer to Statutory Reserve on exercise	-	-	-	-	-	13.88	-	-
Transfer to Security Guarantee Fund	-	-	-	-	-	-	-	-
Interest of earlier years transfer to Settlement Guarantee Fund	-	-	-	-	-	-	9.65	-
Dividend (including corporate dividend tax)	-	-	-	-	-	-	-	-
Remeasurement of the net defined benefit liability / asset, net of tax effect	-	-	-	-	-	-	-	-
Deferred hedging gains / (losses) and costs of hedging transferred to the carrying value of inventory purchased in the year	-	-	-	-	-	-	-	-
Effect of foreign exchange rate variation during the year	-	-	-	-	-	-	-	56.37
Profit for the year	-	-	-	-	-	-		-
Balance at 31 March 2018	**921.57**	**147.59**	**288.45**	**41,746.61**	**32,419.98**	**74.96**	**133.11**	**(139.95)**
Changes in equity for the year ended March 31, 2018								
Transfer to general reserve	-	-	-	-	-	-	-	-
Share based payment to employees	-	-	-	-	-	-	-	-
Transfer to securities premium on exercise	-	-	-	-	-	-	-	-
Interest transfer to Settlement Guarantee Fund	-	-	-	-	-	-	9.56	-
Dividend (including corporate dividend tax)	-	-	-	-	-	-	-	-
Remeasurement of the net defined benefit liability / asset, net of tax effect	-	-	-	-	-	-	-	-
Transfer share option to general reserve	-	-	-	-	159.88	-	-	-
Effect of foreign exchange rate variation during the year	-	-	-	-	-	-	-	139.95
Profit for the year	-	-	-	-	-	-		-
Balance at 31 March 2019	**921.57**	**147.59**	**288.45**	**41,746.61**	**32,579.86**	**74.96**	**142.67**	**-**

*Foreign currency monetary item translation difference account (FCMITDA)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTD.)

for the year ended March 31, 2019

(₹ in lakhs)

Particulars	RESERVES AND SURPLUS			OTHER COMPREHENSIVE INCOME			Total Other Equity	Total equity attributable to equity holders of the Company
	Share options out-standing account	Retained earnings	Total	Foreign currency translation reserve	Other Compre-hensive Income	Total		
Balance at 1 April 2017	**2,381.95**	**2,51,207.87**	**3,25,958.61**	**(8,673.23)**	**(1,548.43)**	**(10,221.66)**	**3,15,736.95**	**3,16,658.52**
Changes in equity for the year ended March 31, 2017								
Transfer to general reserve	-	-	2,222.07	-	-	-	2,222.07	2,222.07
Share based payment to employees	(2,222.07)	-	(2,222.07)	-	-	-	(2,222.07)	(2,222.07)
Transfer to Statutory Reserve on exercise	-	(13.88)	-	-	-	-	-	-
Transfer to Security Guarantee Fund	-	-	-	-	-	-	-	-
Interest of earlier years transfer to Settlement Guarantee Fund	-	-	9.65	-	-	-	9.65	9.65
Dividend (including corporate dividend tax)		(1,109.18)	(1,109.18)	-	-	-	(1,109.18)	(1,109.18)
Remeasurement of the net defined benefit liability / asset, net of tax effect	-	-	-	-	36.67	36.67	36.67	36.67
Deferred hedging gains / (losses) and costs of hedging transferred to the carrying value of inventory purchased in the year	-	-	-	-	2,047.94	2,047.94	2,047.94	2,047.94
Effect of foreign exchange rate variation during the year	-	-	56.37	1,421.80	-	1,421.80	1,478.17	1,478.17
Profit for the year	-	1,207.21	1,207.21	-	-	-	1,207.21	1,207.21
Balance at 31 March 2018	**159.88**	**2,51,292.02**	**3,26,122.66**	**(7,251.43)**	**536.18**	**(6,715.25)**	**3,19,407.41**	**3,20,328.99**
Changes in equity for the year ended March 31, 2018								
Transfer to general reserve	-	-	-	-	-	-	-	-
Share based payment to employees	-	-	-	-	-	-	-	-
Transfer to securities premium on exercise	-	-	-	-	-	-	-	-
Interest transfer to Settlement Guarantee Fund	-	-	9.56	-	-	-	9.56	9.56
Dividend (including corporate dividend tax)		(1,111.00)	(1,111.00)	-	-	-	(1,111.00)	(1,111.00)
Remeasurement of the net defined benefit liability / asset, net of tax effect	-	-	-	-	(29.83)	(29.83)	(29.83)	(29.83)
Transfer share option to general reserve	(159.88)	-	-	-	-	-	-	-
Effect of foreign exchange rate variation during the year	-	-	139.95	1,946.20	-	1,946.20	2,086.15	2,086.15
Profit for the year	-	(3,525.60)	(3,525.60)	-	-	-	(3,525.60)	(3,525.60)
Balance at 31 March 2019	**-**	**2,46,655.42**	**3,21,635.57**	**(5,305.23)**	**506.35**	**(4,798.88)**	**3,16,836.67**	**3,17,758.24**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTD.)

for the year ended March 31, 2019

NATURE AND PURPOSE OF RESERVES:

Capital reserve:

During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve.

Securities Premium Reserve:

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve.

General Reserve:

General Reserve was created by transferring a portion of the net profit of the Company as per the requirements of the Companies Act, 1956.

Foreign currency monetary item translation difference account (FCMITDA):

The unamortised amount of exchange difference arising on translation of long term foreign currency monetary items.

Share options outstanding account:

The fair value of the equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding Account.

Retained earnings:

Remaining portion of profits earned by the Company till date after appropriations.

In terms of our report attached
For Sharp & Tannan Associates,
Chartered Accountants
(Firm's Registration No.: 109983W)
by the hand of

Tirtharaj Khot
Partner
Membership No.: (F) 037457

Place : Mumbai
Date : May 27, 2019

For and on behalf of the Board

Venkat R Chary
Chairman
DIN - 00273036

Hariraj Chouhan
Company Secretary

S. Rajendran
Managing Director & CEO
DIN - 02686150

Devendra Agrawal
Whole-time Director & CFO
DIN - 03579332

Place : Mumbai
Date : May 27, 2019

CASH FLOW STATEMENT

for the year ended March 31, 2019

(₹ in lakhs)

Particulars	Year Ended 31.03.2019		Year Ended 31.03.2018	
A. Cash flow from operating activities				
Net profit before tax		(2,412.15)		6,543.69
Adjustments for:				
Depreciation and amortisation expense	2,602.52		2,995.35	
Net gain on sale of Equity Shares	297.05		(459.49)	
Loss on disposal / write off of fixed assets (net)	4.15		19.12	
Impairment of Assets	0.75		621.53	
Gain on Fair Valuation of Financial Assets	(825.86)		(738.16)	
Impairment of Bonds	-		3,145.92	
Bad trade receivables / advances written off and allowance for expected credit loss on trade receivable / advances (net)	4,001.31		303.72	
Loss allowances on trade receivable / liabilities no longer required written back	(341.98)		43.66	
Fair value loss on reclassification of financial asset from FVTOCI on sale of investment	-		1,881.06	
Dividend income	(0.09)		(4.56)	
Finance costs	440.36		969.88	
Exchange rate fluctuations - loss	1,251.69		150.46	
Interest income	(15,281.99)	(7,852.09)	(19,104.76)	(10,176.27)
Operating profit before working capital changes		**(10,264.24)**		(3,632.58)
Changes in working capital:				
Inventories	(6.90)		(7.79)	
Trade receivable, loans, other financial assets and other assets	6,477.08		46.92	
Trade payables, other financial liablities, other liabilities and other provisions	(1,443.61)	5,026.57	(2,403.49)	(2,364.36)
Cash used in operations		**(5,237.67)**		(5,996.94)
Net income tax refund		(225.22)		11.40
Net cash flow from operating activities		**(5,462.89)**		(5,985.54)
B. Cash flow from investing activities				
Capital expenditure on Property, plant and equipment and other Intangible assets including capital advances		(2,487.57)		(1,508.39)
Proceeds from sale of Property, plant and equipment		72.77		143.48
Purchase of Financial assets - others		(3,767.77)		(35,221.74)
Proceeds from sale of Financial assets - others		56,565.87		1,01,224.18
Decrease / (Increase) in fixed deposit with banks		(82,235.82)		(7,597.68)
Interest income		18,444.03		21,087.47
Dividend income		0.09		4.56
Cash used in investing activities		(13,408.40)		78,131.87
Net income tax paid		(2,262.93)		(2,229.88)
Net cash used in investing activities		**(15,671.33)**		75,901.99

CASH FLOW STATEMENT (CONTD.)

for the year ended March 31, 2019

(₹ in lakhs)

Particulars	Year Ended 31.03.2019		Year Ended 31.03.2018	
C. Cash flow from financing activities				
Repayment of other borrowings		(11,158.85)		(39,743.34)
Increase / (decrease) in short term borrowings		176.70		-
Tax on dividend		(189.43)		(187.61)
Finance costs		(455.50)		(1,179.94)
Cash generated from / (used in) financing activities		**(11,627.08)**		(41,110.90)
Net decrease in cash and cash equivalents (A+B+C)		**(32,761.30)**		28,805.55
Cash and cash equivalents (opening balance)		60,009.59		31,204.04
Cash and cash equivalents (closing balance)		27,248.29		60,009.59

Notes to cash flow statement:

(₹ in lakhs)

	Year Ended 31.03.2019	Year Ended 31.03.2018
1. Cash and Cash equivalents*	13,701.26	56,051.53
Other bank balances	13,547.03	3,958.06
Subtotal	27,248.29	60,009.59
Effect on exchange differences on restatement of foreign currency cash and cash equivalents	3,277.01	3,840.92
TOTAL	**30,525.30**	63,850.51
*Out of ₹ 13,701.26 lakhs, ₹ 710.29 lakhs are attached (Refer Note 58 and 74)		
2. Debt Reconciliation Statement in accordance with Ind AS 7		
Opening Balances - long term borrowings	10,114.36	49,763.62
Borrowed	433.25	-
Repayment	(11,158.85)	(39,743.36)
Foreign exchange movement	1,044.49	94.10
Closing Balance - long term borrowings	433.25	10,114.36

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. The Cash Flow Statement has been prepared under the "Indirect Method" as set out in IND AS 7 Statement of Cash Flows.
5. Previous year's figures have been regrouped / reclassified wherever applicable.

In terms of our report attached

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

Tirtharaj Khot
Partner
Membership No.: (F) 037457

Place : Mumbai
Date : May 27, 2019

For and on behalf of the Board

Venkat R Chary
Chairman
DIN - 00273036

Hariraj Chouhan
Company Secretary

S. Rajendran
Managing Director & CEO
DIN - 02686150

Devendra Agrawal
Whole-time Director & CFO
DIN - 03579332

Place : Mumbai
Date : May 27, 2019

NOTES

forming part of the financial statements for the year ended March 31, 2019

1 COMPANY OVERVIEW

63 moons technologies limited (the 'Company') is a public limited company incorporated and domiciled in India. The Company's registered office is at Shakti Tower - 1, 7th floor, Premises - E, 766, Anna Salai, Thousand Lights, Chennai - 600002. Tamilnadu, India and corporate office FT Tower,CTS No, 256 & 257,Suren Road,Chakala,Andheri (East),Mumbai-400069.

The 63 moons 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.

2 BASIS OF PREPARATION

2.1 Statement of compliance and Basis of Preparation

The consolidated financial statements of 63 moons technologies limited (formerly Financial Technologies (India) Limited) ('the Parent Company') and its subsidiary companies (Refer Note C below for list of entities included in consolidated financial statements) (the Parent Company, its subsidiaries constitute 'the Group') have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the 2013 Act") read with the Companies (Indian Accounting Standards) Rules, 2015, subsequent amendments thereto and the relevant provisions of the 2013 Act.

The financial statements of subsidiaries used in the consolidation are drawn upto the same reporting dates as that of the Parent Company, viz March 31, 2019.

The financial statements have been prepared on accrual basis using the historical cost measurement except for the following material items that have been measured at fair value as required by relevant Ind AS:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- Share based payment transactions
- Defined benefit and other long-term employee benefits

The accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These Ind-AS compliant the consolidated financial statements were approved by the Board of Directors on May 27, 2019.

2.2 Functional and presentation currency

These Consolidated financial statements are presented in Indian Rupees, which is the Company's functional currency. All amounts have been rounded off to the nearest lakhs, unless otherwise indicated.

2.3 Use of judgements and estimates

The preparation of the Consolidated financial statements in conformity with Ind AS requires management to make certain estimates, judgements and assumptions. These affect the application of accounting policies, the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the reporting date of the Consolidated financial statements and reported amounts of income and expenses during the period. Accounting estimates could change from period to period and the actual results could differ from those estimates. These are reviewed by the management on an on-going basis and appropriate changes in estimates are made prospectively as management becomes aware of changes in circumstances surrounding the estimates. The management believes that the estimates used in preparation of the consolidated financial statements are just, prudent and reasonable.

The areas involving critical estimates & judgements are:

Note Reference	Critical Estimates & Judgements
Note 4.14, 12 and 31	Estimation of income taxes, Recognition and utilisation of deferred tax assets and MAT credit entitlement and utilisation.
Note 4.18, 32	Measurement of contingencies key assumptions about the likelihood and magnitude of an outflow of resources;
Note 4.8, 4.9, 4.10 and 41	Assessment of carrying value / fair value of financial instruments.
Note 4.12 and 37	Measurement of defined benefit obligations: key actuarial assumptions.
Note 4.5, 4.6, 4.7, 6, 7 and 8	Estimation of useful life of tangible and intangible assets.

NOTES

forming part of the financial statements for the year ended March 31, 2019

3 PRINCIPLES OF CONSOLIDATION

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS-110) "Consolidated Financial Statements", and Indian Accounting Standards (Ind AS-28) "Investments in Associates and Joint Ventures" as notified under the Companies (Accounts) Rules, 2014 on the following basis:

Group consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Company, its subsidiaries company as disclosed below. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the company, are excluded.

Associates are entities over which the Group has significant influence but not control. Investments in associates are accounted for using the equity method of accounting. The investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date. The Group's investment in associates includes goodwill identified on acquisition.

i 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 (31.03.2019)	Proportion of Ownership Interest (31.03.2018)
1	atom technologies limited (atom)*	India	95.88%	95.88%
2	TickerPlant Limited (TickerPlant)	India	100.00%	100.00%
3	Financial Technologies Communications Limited (FTCL)	India	100.00%	100.00%
4	Credit Market Services Limited (CMSL)	India	99.99%	99.99%
5	Apian Finance & Investment Limited (Apian)	India	100.00%	100.00%
6	FT Projects Limited. (FTPL)	India	100.00%	100.00%
7	Riskraft Consulting Limited (Riskraft)	India	100.00%	100.00%
8	Global Payment Networks Limited (GPNL)	India	100.00%	100.00%
9	FT Knowledge Management Company Limited (FTKMCL)	India	100.00%	100.00%
10	IBS Forex Limited (IBS)	India	86.29%	86.29%
11	National Spot Exchange Limited (NSEL)	India	99.99%	99.99%
12	Indian Bullion Market Association Limited (IBMA) (subsidiary of NSEL)	India	60.88%	60.88%
13	Farmer Agricultural Integrated Development Alliance Limited (FAIDA) (subsidiary of NSEL)	India	100.00%	100.00%
14	Westernghats Agro Growers Company Limited (WGAGL) (subsidiary of NSEL)	India	84.00%	84.00%
15	Adyna Solutions Pvt Ltd. (subsidiary of atom w.e.f. May 9, 2016)	India	100%	100.00%
16	Financial Technologies Singapore Pte Limited (FTSPL)	Singapore	100.00%	100.00%
17	ICX Platform (Pty) Limited (ICX)	South Africa	100.00%	100.00%
18	FT Group Investments Pvt. Limited. (FTGIPL)	Mauritius	100.00%	100.00%
19	Knowledge Assets Pvt. Limited (KAPL)	Mauritius	100.00%	100.00%
20	Bourse Africa Limited (BAL) (subsidiary of FTGIPL)	Mauritius	100.00%	100.00%
21	Bourse Africa Clear Limited (BACL) (subsidiary of BAL)	Mauritius	100.00%	100.00%
22	Financial Technologies Middle East DMCC (FTME) (subsidiary of FTGIPL)	U.A.E.	100.00%	100.00%

*Refer Note 45

NOTES

forming part of the financial statements for the year ended March 31, 2019

ii Disclosures mandated by schedule III of Companies Act 2013, by way of additional information:

(₹ in lakhs)

Name of the entity	Net Assets i.e total assets minus total liabilities		Share in Profit / Loss	
	As % of consolidated net assets	Amount	As % of consolidated Profit / Loss	Amount
I. Parent Company				
63 moons technologies limited	89.88	285,589.32	(0.26)	9.24
(formerly Financial Technologies (India) Limited)				
II. Subsidiaries				
a. Indian Subsidiaries:				
National Spot Exchange Limited. (NSEL) (on consolidated basis)	0.75	2,378.00	83.20	(2,949.40)
Apian Finance and Investments Limited. (APIAN)	0.24	759.07	0.39	(13.76)
Ticker Plant Limited. (TickerPlant)	(0.16)	(504.86)	27.84	(987.01)
atom Technologies Limited. (atom) (on consolidated basis)	0.20	630.37	17.73	(628.37)
Riskraft Consulting Limited. (Riskraft)	0.02	78.16	(0.09)	3.29
Financial Technologies Communications Limited. (FTCL)	0.14	442.38	(1.97)	69.92
Global Payment Networks Limited. (GPNL)	0.05	155.69	(0.28)	9.79
FT Knowledge Management Company Limited.(FTKMCL)	0.02	78.52	0.18	(6.55)
IBS Forex Limited. (IBS)	0.24	760.53	(1.38)	48.86
FT Projects Limited. (FTPL)	(0.00)	(6.52)	0.02	(0.89)
Credit Market Services Limited. (CMSL)	(0.00)	(15.13)	0.04	(1.58)
b. Foreign Subsidiaries:				
FT Group Investments Pvt. Ltd. (FTGIPL) (on consolidated basis)	(20.03)	(63,636.22)	85.60	(3,034.22)
Financial Technologies Singapore Pte Ltd. (FTSPL)	5.61	17,820.91	(2.55)	90.35
Knowledge Assets Pvt. Ltd. (KAPL)	(0.03)	(87.00)	0.25	(8.78)
ICX Platform (Pty) Ltd. (ICX)	(0.06)	(198.88)	1.21	(42.74)
SUBTOTAL		**244,244.34**		**(7,441.85)**
Inter - Company Elimination & Consolidation Adjustments	23.14	73,513.87	(109.94)	3,897.05
GRAND TOTAL		**317,758.21**		**(3,544.80)**
Minority Interest in Subsidiaries		188.01	(0.54)	19.20
TOTAL				**(3,525.60)**

4 SIGNIFICANT ACCOUNTING POLICIES

The Group has consistently applied the following accounting policies to all periods presented in these financial statements.

4.1 Revenue

With effect from April 01, 2018, the Group has applied Ind AS 115 Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. The Company has, as permitted by Ind AS 115, opted not to restate contracts with customers that were completed before the date of transition (April 01, 2018). A completed contract is a contract for which the entity has transferred all of the goods or services identified in accordance with Ind AS 18, the previous revenue standard. Ind AS 115 is applied retrospectively only to contracts that are not completed as at 1 April 2018. The effect of application of Ind AS 115 is not material.

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Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration expected to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

The revenue from the sale of software products (IPR based licenses) is recognised on delivery / granting of right to use. In respect of service contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized over time. Revenue from fixed price service contracts is recognised based on acts performed as specified in the contracts 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 is leased. Revenue from sale of goods is recognised on transfer of control over to the goods to the customer. Sales are recorded net of returns (if any), trade discounts, rebates, and goods and service tax. Projected losses, if any, are provided in entirety as per Ind AS based on management's current estimates of cost to completion arrived at on the basis of technical assessment of time and effort required and estimates of future expenditure.

Revenues in excess of invoicing are classified as contract assets (which are referred to as unbilled revenue). Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Invoicing in excess of revenues are classified as contract liabilities (which are referred to as unearned revenues)

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 as per the terms of agreement with clients.

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.

Service charges include income from various services viz. 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.

Revenue is stated net of returns, goods and service tax (GST), VAT and service tax wherever applicable.

Unbilled revenue represents value of services performed in accordance with the contract terms but not billed.

4.2 Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

4.3 Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established.

4.4 Investment property rental income

Rental income from investment property is recognised as revenue on a straight-line basis over the term of the lease and presented as other income. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

4.5 Property, plant and equipment

i. Recognition and measurement

Property, Plant and Equipment (PPE) are carried at cost less accumulated depreciation and any accumulated impairment losses, if any.

The cost of PPE comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates and any costs directly attributable to bring in the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent expenditure relating to PPE is capitalised only when it is probable that future economic benefits with these flow to the company and cost of the item can be measured reliably. Repairs & maintenance costs are recognised in Statement of Profit and Loss as and when incurred.

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PPE which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in- progress"

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of the asset. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the assets) is recognised in Statement of Profit & Loss.

As per Ind AS 101, First Time Adoption of Ind AS, the Company continues to adopt the provisions of para 46 / 46A of Accounting Standard-11, "The Effects of Changes in Foreign Exchange Rates". Accordingly, exchange differences arising on restatement / settlement of long-term foreign currency borrowings as of 1.04.2015 (Date of Transition to Ind AS) relating to acquisition of depreciable assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets and exchange differences not relating to depreciable assets are amortised over remaining tenure of the borrowings.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives. Leased assets and leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

Depreciation methods, useful lives and residual values are reviewed annually and the effects of any changes in estimates are accounted for on a prospective basis.

Freehold Land is not depreciated. For others, depreciation has been provided on the basis of estimated useful life as follows.

Assets	Useful life
Office Equipment	2 to 5 Years
Electrical Installations	10 Years
Computer Hardware	3 to 6 Years
Furniture and Fixtures	5 to 10 Years
Vehicles	8 Years
Building	58 years
Leasehold improvements	Over lease period

Assets costing upto ₹ 5,000/- are fully depreciated in the year of acquisition.

vi. Reclassification to investment property

When the uses of a property changes from owner-occupied to investment property, the property is reclassified accordingly.

4.6 Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment, if any. The cost of intangible assets comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates and any costs directly attributable to bring in use. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. Research costs are expensed as incurred. Amortization methods and useful lives are reviewed annually and the effects of any changes in estimates are accounted for on a prospective basis.

The Group amortises intangible assets with using the straight-line method over the estimated useful life as follows:

- Patents, copyright and other rights - 8 years
- Computer software - 4 to 6 years

4.7 Investment property

Investment property is measured at cost less impairment, if any. Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in statement of Profit or Loss. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is calculated using the straight-line method over their estimated useful lives. Fair value is calculated using discounted cash flow method and other relevant factors, if any. Useful life of the investment property is considered as 58 year or lease period.

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4.8 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments. The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at recognition.

Classification	Initial recognition	Subsequent recognition
Non-derivative financial instruments		
a) Financial assets **at amortised cost:** if it is held within business model where purpose is to hold asset for contractual cash flows that are solely payments of principal and interest on principal outstanding	At fair value including directly attributable transaction costs	Subsequently carried at amortised cost using effective interest rate method less any impairment loss.
b) Financial assets **at fair value through other comprehensive income:** if it is held within business model where purpose is to hold asset for contractual cash flows that are solely payments of principal and interest on principal outstanding and also selling financial assets.	At fair value including directly attributable transaction costs	All changes in value excluding interest are recognised in OCI. Interest is recognised on effective interest rate method in Statement of Profit & Loss.
c) Financial assets **at fair value through statement of profit and loss:** if financial asset is not classified in any of the above categories	At fair value excluding directly attributable transaction costs. Transaction costs are recognised in Statement of Profit and Loss.	Fair valued at each subsequent reporting date.
d) Trade Receivable and Loans	At fair value.	Subsequently held at amortised cost, using the effective interest rate method, net of any expected credit loss.
e) Other Equity investments	At fair value	Any changes through Statement of Profit and Loss.
f) Financial liabilities	At fair value including directly attributable transaction costs	**At amortised cost:** using effective interest method except certain items.
Derivative financial instruments		
Financial assets or financial liabilities	At fair value	**At fair value through statement of profit and loss:** if financial assets or financial liabilities are not designated as hedges.
Share capital		
	Ordinary shares classified as equity.	Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

Financial assets are reclassified subsequent to their recognition if and in the period the Group changes its business model for managing financial assets.

Derecognition of financial instruments:

A financial asset is derecognised by the Group only when:

- Contractual right to receive cash flows from the assets expires; or
- On transferred the rights to receive cash flows from the financial asset; or
  - has not retained control of the financial asset; or
  - has transferred substantially all risks and rewards of ownership of the financial asset.

Any gain or loss on derecognition is recognised in statement of profit and loss including cumulative gain or loss in case of financial assets subsequently valued at fair value through other comprehensive income. In case of financial assets subsequently fair valued through profit or loss, gain or loss is presented on a net basis.

A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires. Any gain or loss on derecognition is recognised in statement of profit and loss.

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4.9 Measurement of Fair Value

The Group's accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities. Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The Group regularly reviews significant unobservable inputs and valuation adjustments. In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liabilities and the level of fair value hierarchy.

4.10 Impairment

i. Financial assets:

For the financial assets which are not fair valued through profit or loss, the Group tests loss allowances using the expected credit loss (ECL) model and recognises, if any.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

ii. Non-financial assets:

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then asset's / cash generating unit (CGU)'s recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is estimated. An impairment loss is recognised if the carrying amount of an asset / CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized

4.11 Foreign Currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Group at the exchange rates at the dates of the transactions or at rates that closely approximate the rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction and are not retranslated. Foreign currency differences are generally recognised in profit or loss. The Group is continuing the policy adopted as per the previous GAAP for accounting for exchange differences arising from translation of long term foreign currency monetary items and accordingly exchange differences relating to long term monetary items are dealt with in the following manner:

i. Exchange differences arising during the year on settlement / restatement, 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 remaining useful life of such assets.

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 maturity period / upto the date of settlement of such monetary item, whichever is earlier. The unamortised exchange difference is carried under Other Equity as "Foreign Currency Monetary Item Translation Difference Account (FCMITDA)".

Foreign operations

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

i. All revenues and expenses are translated at average rate.

ii. All monetary and non-monetary assets and liabilities are translated at the rate prevailing on the balance sheet date.

iii. 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.

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iv. 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.

4.12 Employee benefits

i. Short-term obligations

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.

ii. Other long-term employee benefit obligations

Compensated absences

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date and recognised in Statement of Profit and Loss. Expense on non-accumulating compensated absences is recognized in the year in which the absences occur.

Defined Benefit Plan

The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated at each reporting date by actuaries using the projected unit credit method.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. The amount of net interest expense calculated by applying the liability discount rate to the net defined liability or asset is charged or credited to 'Finance Cost' in Statement of Profit and Loss.

Defined contribution plans

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

iii. Share-based payment arrangements

The Group recognizes compensation expense relating to share-based payments in net profit using fair-value in accordance with Ind AS 102, Share-Based Payment. The estimated fair value of awards is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding account.

4.13 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. All other borrowing costs are charged to revenue.

4.14 Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

i. Current tax

Current tax comprises the expected tax payable or recoverable on the taxable income or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years. The amount of current tax payable or recoverable is the best estimate of the tax amount expected to be paid or received. It is measured using tax rates enacted or substantively enacted at the reporting date. Interest income in respect of income tax is shown under Other Income and interest expenses and penalties, if any, are included in current tax expense. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amount and there is an intention to settle the assets and liabilities on net basis.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised

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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. 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 Group will pay normal income tax during the specified period.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, Associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans of the Group and the reversal of temporary differences. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

4.15 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

4.16 Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

4.17 Provisions

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

4.18 Contingent liabilities and contingent assets, if any, are disclosed in the notes to accounts. (Refer Note 32)

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Claims against the Group, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

4.19 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 the Statement of Profit and Loss unless except where the lease payments are structured to increase in line with expected general inflation.

Leases under which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower.

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4.20 Earning Per Share

"Basic earnings per share" is computed by dividing the profit / (loss) after tax attributable to equity shareholder of the company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax attributable to equity shareholder of the company as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

5 IND AS ISSUED BUT NOT YET EFFECTIVE

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new and amendments to Ind ASs which the Group has not applied as they are effective subsequent years as mentioned below:

Ind AS 116 – Leases (applicable for annual periods beginning on or after April 1, 2019)

In January 2016, the IASB issued Ind AS 116 - Leases which sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract and replaces the previous standard on leasing, Ind AS 17 - Leases. Ind AS 116, which is not applicable to service contracts, but only applicable to leases or lease components of a contract, defines a lease as a contract that conveys to the customer (lessee) the right to use an asset for a period of time in exchange for consideration. Ind AS 16 eliminates the classification of leases for the lessee as either operating leases or finance leases as required by Ind AS 17 and instead, introduces a single lessee accounting model whereby a lessee is required to recognise assets and liabilities for all leases with a term that is greater than 12 months, unless the underlying asset is of low value, and to recognise depreciation of leased assets separately from interest on lease liabilities in the income statement. As Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17, a lessor will continue to classify its leases as operating leases or finance leases and to account for those two types of leases differently. Ind AS 116 is effective from April 1, 2019, with early adoption allowed only if Ind AS 115 - Revenue from Contracts with Customers is also adopted.

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6. PROPERTY, PLANT AND EQUIPMENT*

(₹ in lakhs)

Particulars	Freehold Land	Buildings	Plant & Equipment	Improvement to Leasehold Premises	Computer Hardware	Equipments**	Furniture and Fixtures	Vehicles	Total
Year ended 31 March 2019									
Gross carrying value as at April 01, 2018	4,666.60	17,704.00	7.07	353.64	9,477.30	6,097.22	4,836.79	829.79	43,972.41
Additions	-	353.45	-	-	1,400.20	306.02	80.97	-	2,140.64
Exchange differences	-	-	-	-	-	1.25	0.01	-	1.26
Reclassification to investment property	-	(338.49)	-	-	-	-	-	-	(338.49)
Disposals	-	-	-	-	(89.14)	(13.96)	(2.44)	-	(105.54)
Gross carrying value as at March 31, 2019	**4,666.60**	**17,718.96**	**7.07**	**353.64**	**10,788.36**	**6,390.53**	**4,915.33**	**829.79**	**45,670.28**
Accumulated depreciation and impairment as at April 01, 2018	-	2,084.46	2.72	353.64	7,452.00	4,779.58	3,252.36	446.56	18,371.32
Depreciation charge during the year	-	291.03	0.67	-	1,084.03	389.87	475.31	94.10	2,335.01
Reclassification to investment property	-	(26.09)	-	-	-	-	-	-	(26.09)
Disposals	-	-	-	-	(25.37)	(11.42)	(2.08)	-	(38.87)
Exchange differences	-	-	-	-	-	1.21	0.01	-	1.22
Accumulated depreciation and impairment as at March 31, 2019	-	2,349.40	3.39	353.64	8,510.66	5,159.24	3,725.60	540.66	20,642.59
Net carrying amount as at March 31, 2019	**4,666.60**	**15,369.56**	**3.68**	**-**	**2,277.70**	**1,231.29**	**1,189.73**	**289.13**	**25,027.69**
Year ended 31 March 2018									
Gross carrying value as at April 01, 2017	4,666.60	17,704.00	7.07	353.64	8,768.09	8,051.48	5,065.91	805.11	45,421.91
Additions	-	-	-	-	820.06	183.26	8.18	24.68	1,036.18
Exchange differences	-	-	-	-	-	(12.75)	(1.43)	-	(14.18)
Disposals	-	-	-	-	(110.85)	(2,124.77)	(235.87)	-	(2,471.49)
Gross carrying value as at March 31, 2018	**4,666.60**	**17,704.00**	**7.07**	**353.64**	**9,477.30**	**6,097.22**	**4,836.79**	**829.79**	**43,972.42**
Accumulated depreciation and impairment as at April 01, 2017	-	1,792.70	1.83	353.64	6,094.56	6,417.00	3,000.40	347.49	18,007.63
Depreciation charge during the year	-	291.76	0.89	-	1,445.79	423.53	472.60	99.07	2,733.64
Disposals	-	-	-	-	(88.35)	(2,048.72)	(219.34)	-	(2,356.41)
Exchange differences	-	-	-	-	-	(12.23)	(1.30)	-	(13.53)
Accumulated depreciation and impairment as at March 31, 2018	**-**	**2,084.46**	**2.72**	**353.64**	**7,452.00**	**4,779.58**	**3,252.36**	**446.56**	**18,371.33**
Net carrying amount as at March 31, 2018	**4,666.60**	**15,619.54**	**4.35**	**-**	**2,025.30**	**1,317.64**	**1,584.43**	**383.23**	**25,601.10**

*Refer Note 58

**Equipments includes "office equipments, networking equipments and electrical installations".

NOTES

forming part of the financial statements for the year ended March 31, 2019

7. INVESTMENT PROPERTIES*

(₹ in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Gross carrying amount		
Opening gross carrying amount / Deemed cost	11,924.57	11,924.57
Additions	489.16	-
Reclassification from Buildings	338.49	-
Closing gross carrying amount	12,752.22	11,924.57
Accumulated depreciation		
Opening accumulated depreciation	1,442.70	1,248.33
Depreciation charge	204.40	194.37
Reclassification from Buildings	26.09	-
Closing accumulated depreciation	1,673.19	1,442.70
Net carrying amount	**11,079.03**	10,481.87

i. Amounts recognised in profit or loss for investment properties

(₹ in lakhs)

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Rental income	391.52	530.96
Direct operating expenses from property that generated rental income	(85.72)	(76.33)
Direct operating expenses from property that did not generate rental income	(56.94)	(23.86)
Profit from investment properties before depreciation	248.86	430.77
Depreciation	204.40	194.37
Profit from investment properties	**44.46**	236.40

ii. Contractual obligations

There are no contractual obligations towards investment property

iii. Leasing arrangements

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly.

Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

(₹ in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Within one year	314.53	174.62
Later than one year but not later than 5 years	295.85	210.98
Later than 5 years	-	-

iv. Fair value

(₹ in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Investment properties	11,914.49	11,344.42

*Refer Note 58

NOTES

forming part of the financial statements for the year ended March 31, 2019

8. OTHER INTANGIBLE ASSETS

(₹ in lakhs)

Particulars	Trade Mark	Computer Software	Technical Know-how	Total
Year ended 31 March 2019				
Gross carrying value as at April 01, 2018	40.49	2,416.56	214.33	2,671.38
Additions	3.48	186.60	-	190.08
Exchange differences	-	-	-	-
Disposals	-	(39.83)	-	(39.83)
Gross carrying value as at March 31, 2019	**43.97**	**2,563.33**	**214.33**	**2,821.63**
Accumulated amortisations and impairment as at April 01, 2018	24.46	2,277.95	214.33	2,516.74
Amortisation charge during the year	2.46	60.65	-	63.11
Exchange differences	-	-	-	-
Disposals	0.00	(37.84)	-	(37.84)
Accumulated amortisations and impairment as at March 31, 2019	**26.92**	**2,300.76**	**214.33**	**2,542.01**
Net carrying amount as at March 31, 2019	**17.05**	**262.57**	**-**	**279.62**
Year ended 31 March 2018				
Gross carrying value as at April 01, 2017	25.79	1,937.77	214.33	2,177.89
Additions	14.70	75.20	-	89.90
Exchange differences	-	(246.50)	-	(246.50)
Disposals	-	650.09	-	650.09
Gross carrying value as at March 31, 2018	**40.49**	**2,416.56**	**214.33**	**2,671.38**
Accumulated amortisations and impairment as at April 01, 2017	23.31	1,799.54	214.33	2,037.18
Amortisation charge during the year	1.15	66.19	-	67.34
Disposals	-	(222.64)	-	(222.64)
Exchange differences	-	634.86	-	634.86
Accumulated amortisations and impairment as at March 31, 2018	**24.46**	**2,277.95**	**214.33**	**2,516.74**
Net carrying amount as at March 31, 2018	**16.03**	**138.61**	**-**	**154.64**

(₹ in lakhs)

9. INVESTMENTS*	**As at 31.03.2019**	**As at 31.03.2018**
Non-current		
In Equity instruments (Quoted)	10.87	8.84
In Equity instruments (Unquoted)	32.86	33.79
In Government and Trust Securities (Unquoted)	51.83	52.12
In Bonds / Debentures carrying amortised cost (Quoted)	84,297.01	89,888.79
TOTAL	**84,392.57**	89,983.54
Current		
In Mutual Funds (Unquoted)	10,648.69	9,992.26
In Bonds / Debentures carrying amortised cost (Quoted)	5,300.51	52,913.61
In Equity instruments (Unquoted)	1,283.38	1,304.57
In Government And Trust Securities (Unquoted)	-	0.46
TOTAL	**17,232.58**	64,210.90
TOTAL INVESTMENTS	**1,01,625.15**	1,54,194.44

*Refer Note 41, 56, 58, 59 and 74

NOTES

forming part of the financial statements for the year ended March 31, 2019

(₹ in lakhs)

10 LOANS	As at 31.03.2019	As at 31.03.2018
Non - Current		
Unsecured, Considered Good		
Loans related to NBFC activities	14.44	20.09
Loans to Employees.	41.84	50.99
TOTAL	**56.28**	71.08
Current		
Unsecured, Considered Good		
Loans to Employees.	-	38.75
Loans related to NBFC activities	505.27	506.90
TOTAL	**505.27**	545.65
TOTAL LOANS	**561.55**	616.73
11 OTHER FINANCIAL ASSETS		
Non-Current		
Interest Accrued on Bank Fixed Deposits	102.46	8.26
Other Bank Balances*		
In deposits accounts	9,438.56	127.71
In current accounts**	4,108.47	3,830.35
Deposit with the Hon'ble Bombay High Court (Refer Note 53)	8,400.00	8,400.00
Security Deposits	90.38	104.58
TOTAL	**22,139.87**	12,470.90
Current		
Other Receivables	25,707.13	26,872.18
Interest Accrued on bank fixed deposits	1,270.05	585.59
Interest Accrued on investments	2,850.42	6,791.12
Unbilled Revenue	279.81	273.17
Rent Receivables	28.62	33.89
Receivable on sale of investments	300.87	0.87
Security Deposits	95.45	138.23
Contractually reimbursable expenses (Refer Note 66)		
Considered good	56.97	6,556.21
Considered doubtful	-	8,122.75
Less: Provision for doubtful loans and advances	-	(6,205.88)
	56.97	8,473.08
Balance in ESCROW account with Bank (Refer Note 43)	726.41	1,806.41
Derecognition of revenue	(726.41)	(1,806.41)
	-	-
TOTAL	**30,589.32**	43,168.13
TOTAL OTHER FINANCIAL ASSETS	**52,729.19**	55,639.03
*Refer Note 41, 56, 58, 59 and 74 **This includes ₹ 1018.30 lakhs of NSEL (Refer Note 74)		
12 OTHER ASSETS		
Non-Current Assets		
Capital Advances	-	85.21
Prepaid Expenses	53.67	47.80

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forming part of the financial statements for the year ended March 31, 2019

(₹ in lakhs)

	As at 31.03.2019	As at 31.03.2018
Taxes paid less provision including Advance Income tax (net of provision)	8,355.10	7,633.89
Balances with Government Authorities	1,706.63	1,182.70
Mat Credit Entitlement	9,018.43	9,197.22
Advance for Lease	681.37	693.77
TOTAL	**19,815.20**	18,840.59
Current Assets		
Prepaid Expenses	4,228.56	1,048.69
Balances with Government Authorities	926.70	1,296.59
Taxes paid less provision (other than deferred tax)	706.56	638.49
Capital Advances	3,000.00	3,000.00
Advance for Lease	12.41	12.37
Balance in escrow account in PPI	4.84	2.64
Advance for Supply of Goods and Services.		
Considered good	3,835.20	2,140.09
Considered doubtful	200.00	200.00
Less: Provision for doubtful advances	(200.00)	(200.00)
	3,835.20	2,140.09
TOTAL	**12,714.27**	8,138.87
TOTAL OTHER ASSETS	**32,529.47**	26,979.46
13 INVENTORIES		
Finished Goods	1.40	8.30
TOTAL INVENTORIES	**1.40**	8.30
14 TRADE RECEIVABLES		
Current		
Unsecured		
Considered Good	7,013.91	4,443.48
Considered Doubtful	2,137.61	2,203.30
Less: Provision for Doubtful Debts	(2,137.61)	(2,167.06)
	7,013.91	4,479.72
TOTAL TRADE RECEIVABLES	**7,013.91**	4,479.72
15 CASH AND CASH EQUIVALENTS		
Cash on hand	4.20	2.63
Bank Balances		
In Current Accounts*	3,091.70	3,458.42
In Deposit Accounts with original maturity of less than 3 months	13,835.01	56,277.74
In Earmarked Accounts		
In Current Accounts	47.36	153.66
TOTAL CASH & CASH EQUIVALENTS	**16,978.27**	59,892.45

*This includes ₹ 715.93 lakhs of NSEL (Refer Note 74)

NOTES

forming part of the financial statements for the year ended March 31, 2019

(₹ in lakhs)

16 BANK BALANCES OTHER THAN (III) ABOVE	As at 31.03.2019	As at 31.03.2018
In Earmarked Accounts		
In Deposit Accounts with original maturity of less than 3 months	-	15,113.99
Unpaid Dividend Accounts	62.21	62.41
Other Bank Balances		
In Deposit Accounts with original maturity of more than 3 months but less than 12 months	85,437.12	442.81
In Deposit Accounts with original Maturity of more than 12 months	11,032.21	4,487.56
TOTAL BANK BALANCES OTHER THAN (III) ABOVE	**96,531.54**	20,106.77

17 EQUITY SHARE CAPITAL

Particulars	As at 31.03.2019		As at 31.03.2018	
	Number of shares	(₹ in lakhs)	Number of shares	(₹ in lakhs)
Authorised:				
Equity shares of ₹ 2/- each	15,00,00,000	3,000.00	15,00,00,000	3,000.00
Issued, subscribed and fully paid up:				
Equity shares of ₹ 2/- each	4,60,78,537	921.57	4,60,78,537	921.57

a. Reconciliation of Number of shares

Particulars	As at 31.03.2019		As at 31.03.2018	
	Number of shares	(₹ in lakhs)	Number of shares	(₹ in lakhs)
Equtiy Shares				
Opening Balances	4,60,78,537	921.57	4,60,78,537	921.57
Changes during the period	-	-	-	-
Closing Balance	4,60,78,537	921.57	4,60,78,537	921.57

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

The Parent 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 Parent 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 and appropriate judical orders. In the event of liquidation of the Parent company, the holders of equity shares will be entitled to receive remaining assets of the Parent 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:

Particulars	As at 31.03.2019		As at 31.03.2018	
	Number of Equity Shares held	% Holding	Number of Equity Shares held	% Holding
La-fin Financial Services Private Limited	1,23,29,968	26.76	1,23,29,968	26.76
Jignesh P. Shah*	65,36,728	14.19	83,29,585	18.08
Ravi Kanaiyalal Sheth	29,09,460	6.31	24,48,367	5.31

*In Previous Year 3,585,715 (7.78%) equity shares held jointly. Out of 35,85,715 shares held jointly, 17,92,857 shares were transferred to Rupal Jignesh Shah vide MPID court order dated June 28, 2018.

d. As at March 31, 2019, Nil Options (Previous Year 43,381) are outstanding towards Employee Stock Options granted.
For particulars of options on unissued capital under employee stock option schemes, Refer Note No 38.

NOTES

forming part of the financial statements for the year ended March 31, 2019

(₹ in lakhs)

18 BORROWINGS	As at 31.03.2019	As at 31.03.2018
Non Current		
Secured borrowings from bank		
Term Loan From RBL Bank	256.55	-
TOTAL	**256.55**	-
Current		
Unsecured term loan from bank		
Current portion of External commercial borrowings in foreign currency	-	10,114.36
Secured borrowings from bank		
Term Loan From RBL Bank	176.70	-
TOTAL	**176.70**	10,114.36
TOTAL BORROWING	**433.25**	10,114.36

i) During the year ended March 31, 2012, the Company had availed a foreign currency term loans viz. external commercial borrowings of USD 25 million which was repayable in nine semi-annual installments (first eight installments of 11% each and last installment of 12%) starting from December 2014. During the financial year 2013-14, the loan was refinanced with the same lender at reduced borrowing rate. The Company prepaid USD 9.45 million during the financial year 2013-14 and balance USD 15.55 million is repaid during the current financial year. This loan carried interest at the rate of applicable quarterly LIBOR plus margin of 4.3% p.a. During the previous year margin reduce from 4.30% p.a to 2.3% p.a.

ii) One of subsidaries having secured loan against fixed assets carring interest rate of 11.15% for the term of 3 years.

(₹ in lakhs)

19 OTHER FINANCIAL LIABILITIES	As at 31.03.2019	As at 31.03.2018
Non-Current		
Other Advances	180.58	-
TOTAL	**180.58**	-
Current		
Unclaimed dividend*	62.21	62.41
Unpaid dividend (Refer Note 54)	4,147.07	3,225.50
Security deposits	125.75	212.31
Payable to employees and other contractual obligations	1,325.06	1,097.33
Advances from Members / Customer	6,536.98	6,341.04
Payables on purchase of fixed assets	11.45	115.42
Interest accrued but not due on borrowings	-	15.14
Members Liabilities	4,007.11	3,966.77
Provision for CSR Related Expense	47.36	152.63
Other Financial liabilities	-	1,326.63
TOTAL	16,262.99	16,515.18
TOTAL OTHER FINANCIAL LIABILITIES	**16,443.57**	**16,515.18**
*No amount due and outstanding to be credited to investor Education and protection fund		
20 PROVISIONS		
Non-Current		
Provision for employee benefits		
Compensated absences	560.10	590.06
Others	36.44	-
TOTAL	596.54	590.06

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forming part of the financial statements for the year ended March 31, 2019

(₹ in lakhs)

	As at 31.03.2019	As at 31.03.2018
Current		
Provision for employee benefits		
Compensated absences	102.56	84.91
Gratuity	455.01	365.52
TOTAL	**557.57**	450.43
TOTAL PROVISIONS	**1,154.11**	1,040.49

21 TRADE PAYABLE		
Current		
Dues of micro and small enterprises	70.12	24.82
Total Outstanding dues of creditors other than micro and small enterprises	4,660.09	3,873.90
TOTAL TRADE PAYABLE	**4,730.21**	3,898.72

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

a) An amount of ₹ 70.12 lakhs (Previous Year ₹ 24.82 lakhs) and ₹ 0.25 lakhs (Previous Year ₹ Nil) was due and outstanding to suppliers as at the end of the accounting year on account of Principal and Interest respectively.

b) No interest paid during the year.

c) No interest is due and payable at the end of the year.

d) No amount of interest accrued and unpaid at the end of the accounting year.

e) No amount of further interest remaining due and payable even in the succeeding years

The above information regarding Micro and Small Enterprises has been determined 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. This has been relied upon by the auditors.

(₹ in lakhs)

22 OTHER LIABILITIES	As at 31.03.2019	As at 31.03.2018
Non-current		
Other Payables		
Income received in advance (Unearned revenue)	4.09	122.24
Other Advances	3.15	8.82
TOTAL	7.24	131.06
Current		
Income received in advance (Unearned revenue)	1,782.21	3,145.68
Statutory remittances	2,584.76	3,089.97
Advances from Members / Customer	-	72.08
Other Advances	649.85	569.39
TOTAL	5,016.82	6,877.12
TOTAL OTHER LIABILITIES	**5,024.06**	7,008.18

(₹ in lakhs)

23 REVENUE FROM OPERATIONS	Year ended 31.03.2019	Year ended 31.03.2018
Income from software products (IPR based license)	5,793.88	5,266.75
Income from software services (Project based)	8,814.78	16,418.32
Service charges	10,921.27	9,187.56
Income from procurement services (Refer Note 51)	0.97	0.49
IT Infrastructure income	21.22	886.92

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forming part of the financial statements for the year ended March 31, 2019

(₹ in lakhs)

	Year ended 31.03.2019	Year ended 31.03.2018
Sale of traded goods		
Computer hardware	508.00	411.43
Other operating revenues		
Income relating to NBFC activities	52.93	53.61
TOTAL REVENUE FROM OPERATIONS	**26,113.05**	32,225.08
24 OTHER INCOME		
Interest received on financial assets - Carried at amortised cost		
On bank deposits*	6,406.12	1,335.27
On Investments*	8,609.71	17,146.51
On income - tax refund	93.98	522.77
On Loans to employees*	14.91	1.48
On Others	157.27	98.73
	15,281.99	19,104.76
Dividend received on investments carried at fair value through profit or loss	0.09	4.56
Gain / (Loss) on fair valuation of financial assets at fair value through profit or loss	825.86	738.16
Arbitration award in case of NAFED (Refer Note 66)	3,329.50	-
Loss allowances / liabilities no longer required written back	385.23	77.58
Advances received written back	43.25	121.24
Other non-operating income		
Rental income from properties sublease [(Refer Note 33(b)]	391.52	530.96
Miscellaneous Income	50.95	35.44
TOTAL OTHER INCOME	**20,308.39**	20,612.70
*Interest under effective interest method		
25 PURCHASES OF STOCK-IN-TRADE		
Computer hardware	450.67	402.68
TOTAL PURCHASES OF STOCK-IN-TRADE	**450.67**	402.68
26 EMPLOYEE BENEFITS EXPENSE		
Salaries and wages	13,516.34	12,887.64
Contribution to provident fund and other funds (Refer Note 37)	471.39	423.28
Gratuity (Refer Note 37)	224.95	204.60
Staff welfare expenses	434.49	349.14
TOTAL EMPLOYEE BENEFITS EXPENSE	**14,647.17**	13,864.66
27 FINANCE COSTS		
Interest expense on:		
Financial liabilities carried at amortised cost	376.10	721.03
Delayed payment of tax	13.46	9.41
Others	0.06	264.25

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forming part of the financial statements for the year ended March 31, 2019

(₹ in lakhs)

	Year ended 31.03.2019	Year ended 31.03.2018
Other borrowing costs:		
(Reversal of provision) / provision for estimated loss on interest rate swap contracts	-	(28.01)
Others	50.74	3.20
TOTAL FINANCE COSTS	**440.36**	969.88
28 DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation of tangible assets	2,335.01	2,733.64
Depreciation of investment properties	204.40	194.37
Amortisation of intangible assets	63.11	67.34
TOTAL DEPRECIATION AND AMORTISATION EXPENSE	**2,602.52**	2,995.35
29 OTHER EXPENSES		
Electricity	558.25	536.54
Rent including lease rentals [(Refer Note 33(a)]	401.11	417.31
Repairs and maintenance	523.36	816.13
Security services charges	171.61	176.51
Office expenses	589.14	489.87
Insurance	139.56	178.14
Advertisement, Branding & Event Expenses	156.60	585.62
Brokerage and commission charges	2,974.06	2,502.94
Travelling and conveyance	571.23	704.57
Communication expenses	382.38	509.54
Legal and professional charges (Refer Note 35)	12,338.15	11,557.51
Software development expenses and license fees	823.61	876.99
Data feed expenses	826.15	734.19
Software support charges	3,172.47	484.78
Net loss on foreign currency transactions and translations	1,251.69	98.93
Fair value loss on reclassification of asset from OCI on sale of investment	-	1,881.06
Impairment of assets	0.75	621.53
Loss on disposal / write off of fixed assets (net)	4.15	19.12
Provision for doubtful trade receivables / advances	2,177.07	286.08
Expected credit loss on trade receivables	55.56	-
Bad trade receivables / advances written off	1,780.41	65.03
Less: Loss allowances made earlier	(11.73)	(47.39)
	1,768.68	17.64
CSR related Expenses	45.30	56.72
Provision for commission to non-executive directors	20.00	83.00
Miscellaneous expenses	1,444.94	1,740.37
TOTAL OTHER EXPENSES	**30,395.82**	25,375.09

NOTES

forming part of the financial statements for the year ended March 31, 2019

(₹ in lakhs)

30 EXCEPTIONAL ITEM	Year ended 31.03.2019	Year ended 31.03.2018
Impairment of Bonds (Refer Note 48)	-	(3,145.92)
Net gain \ (Loss) on sale of Equity Shares (Refer Note 43)	(297.05)	459.49
TOTAL EXCEPTIONAL ITEM	**(297.05)**	(2,686.43)
31 INCOME TAX & DEFERRED TAX		
31.1 Income Tax recognised in Profit or loss		
Current Tax		
In respect of the current year	983.86	6,429.97
In repect of earlier years	7.89	-
	991.74	6,429.97
Deferred Tax		
In respect of the current year		
Other items	140.91	(1,073.07)
TOTAL TAX EXPENSE RECOGNISED IN THE CURRENT YEAR RELATING TO CONTINUING OPERATIONS	**1,132.65**	5,356.90
31.2 Reconciliation of tax expense with the effective tax		
Profit before tax from continuing operations (a)	(2,412.15)	6,543.69
Income tax rate as applicable (b)	34.61%	34.61%
Calculated taxes based on above, without any adjustments for deductions [(a) x (b)]	(834.85)	2,264.77
Permanent tax differences due to:		
Effect of income that is exempt from taxation	(18.87)	(25.74)
Adjustments for income chargeable to tax at different rates	(249.32)	386.33
Effect of income chargeable to tax in different year as per tax provisions	342.95	(453.27)
Effect of provisions written back which are not taxable	(100.10)	-
Effect of expenses that are not deductible in determining taxable profit	1,992.84	3,184.81
INCOME TAX EXPENSE RECOGNISED IN PROFIT OR LOSS (RELATING TO CONTINUING OPERATIONS)	**1,132.65**	5,356.90

(₹ in lakhs)

31.3 Tax Losses & Tax credits	As at 31.03.2019	As at 31.03.2018
a) Tax losses		
Deffered tax asset not recognised:		
Unused tax losses (including capital gain losses)	3,960.57	3,589.75
Provision for subsidiaries	44,598.23	44,592.61
b) Tax credits		
Opening balance of MAT entitlement	9,197.22	12,466.35
Less: Utilised during the year	178.79	3,269.13
Closing Balance of MAT entitlement	**9,018.43**	9,197.22
31.4 Deferred tax liabilities / (assets)		
a) The balance comprises temporory differences attributable to:		
Deferred income tax liabilities		
Property, plant and equipment	2,106.44	1,936.21

NOTES

forming part of the financial statements for the year ended March 31, 2019

(₹ in lakhs)

	As at 31.03.2019	As at 31.03.2018
Gain / Loss on fair valuation of Financial Assets	-	7.91
Foreign currency monetary item translation difference account (FCMITDA)	-	3.76
TOTAL DEFERRED INCOME TAX LIABILITIES	**2,106.44**	1,947.88
Deferred income tax assets		
Loans and other receivables	1,089.80	1,077.33
Trade receivables	38.63	38.21
Provision for employees benefits	303.71	281.90
Tax losses	764.00	764.00
TOTAL DEFERRED INCOME TAX ASSETS	**2,196.14**	2,161.44
Deferred income tax liabilities / (assets) after set off	**(89.69)**	(213.56)
b) Movement in deferred tax liabilities / (assets):		
Net deferred tax liabilities at the beginning	(213.56)	390.53
Charegd to profit or loss on account of:		
Property, plant and equipment	170.24	(8.04)
Fair valuation gain / (loss) on investments	(7.91)	(523.41)
Foreign currency monetary item translation difference account (FCMITDA)	(3.76)	7.62
Trade receivables	(12.89)	(60.91)
Provision for employees benefits	(8.76)	(470.35)
Recognised in Other Comprehensive Income:		
Employee benefit expenses	(13.05)	24.77
Fair value loss on reclassification of assets	-	426.23
Net deferred tax liabilities / (assets) at the closing	**(89.70)**	(213.56)
31.5 Current tax liabilities / (assets)		
Current tax	(1,284.94)	(399.02)
TOTAL CURRENT TAX LIABILITIES / (ASSETS)	**(1,284.94)**	(399.02)

32 CONTINGENT LIABILITIES & ASSETS AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(₹ in lakhs)

	As at 31.03.2019	As at 31.03.2018
A) CONTINGENT LIABILITIES		
1 Claims not acknowledged as debt		
a) Income tax demands which are in appeal [(including adjustable against Securities Premium account ₹ 8,434.83 lakhs (Previous Year ₹ 8,435.83 lakhs)] (1.a)	24,448.15	15,304.55
b) MVAT, Service tax and excise dues contested by the Group. (1.b)	2,045.65	1,797.66
c) Sales tax demand of subsidiaries (1.c)	11,097.74	11,686.16
d) Claim from buyers of shares in for third party claims (1.d)	168.64	190.64
e) Refer Note 57, 58, 59, 60, and 61 for the parent company and Refer Note 71(e), (f), 74 and 79(r) for NSEL and its subsidiaries for pending writ petitions, public interest litigations, civil suits and First Information Report, impact of which is not ascertainable.		

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(₹ in lakhs)

	As at 31.03.2019	As at 31.03.2018
2 Corporate guarantees given by subsidiaries		
Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.	57.68	61.22
B) CAPITAL AND OTHER COMMITMENTS		
1 Estimated amount of contracts to be executed on capital account and not provided for (net of advances)	1,117.57	1,564.90
2 For commitments relating to lease arrangements, see note 33(a)		
C) CONTINGENT ASSETS		
1 Interest amount not reconognised on the deposit with Hon'ble Bombay High Court (Refer Note 54)		
Note of Contingent liabilities:		
1.a. The Income Tax Department had carried out a special audit of NSEL & IBMA under section 142 (2A), notice u/s 142(1) and u/s 143 (3) of the Income tax Act 1961 for AY 2011-12 to AY 2014-15 respectively. Addition of ₹ 2,929.73 lakhs resulted in reduction in carried forward losses in NSEL and and a demand of ₹ 2,292.13 lakhs in IBMA. As the matter is currently under appeal before Commissioner of Income Tax (Appeals), Mumbai hence, disclosed as contingent liability.		
1.b. NSEL received a demand notice of ₹ 1,322.51 lakhs for contravening the provisions of the Finance Act, 1994 and penalty u/s 78 A, from the Superintendent (Anti-evasion) Service Tax-V, NSEL has filed suitable reply and the matter is pending hearing.		
1.c. Includes ₹ 11,097.73 lakhs (Previous year ₹ 11,686.15 lakhs) pertaining to IBMA, for purchases as an agent for Member / Clients of IBMA.		
1.d. The Director, FIU-India has issued a show cause Notice to NSEL imposing a penalty of ₹ 1.44 crores, in which NSEL has filed a appeal.		

33 OPERATING LEASE

a. The Group has entered into various cancellable and non cancellable operating lease agreements for various premises having average lease term of 6 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:

(₹ in lakhs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Lease Expenditure		
Lease rentals (Refer Note 29 'Rent')	401.11	417.31
Obligations on non-cancellable leases		
Not later than one year	233.49	15.64
Later than one year and not later than five years	411.42	-

b. The Group has entered into operating lease agreements as a lessor for various premises ranging from 2 months to 60 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:

(₹ in lakhs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Lease Income		
Lease rentals	391.52	530.96
(Refer Note 24 'Rental income from operating leases')		

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(₹ in lakhs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Receivables on non-cancellable leases		
Not later than one year	204.85	174.62
Later than one year and not later than five years	295.85	210.98
Later than five years	-	-

34 EARNINGS PER SHARE IS CALCULATED AS FOLLOWS

(₹ in lakhs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
a) Net Profit / (Loss) for the year (for basic and diluted EPS)	(3,525.60)	1,207.21
b) Weighted average number of equity shares		
Basic	4,60,78,537	4,60,78,537
Diluted	4,60,78,537	4,60,78,537
c) Basic earnings per share ₹	(7.65)	2.62
d) Diluted earnings per share ₹	(7.65)	2.62
e) Face value ₹ per share	2/-	2/-

35 LEGAL AND PROFESSIONAL CHARGES (REFER NOTE 29) INCLUDES PAYMENTS TO AUDITORS (EXCLUDING GST / SERVICE TAX)

(₹ in lakhs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
As auditors - statutory audit	63.57	70.16
For limited reviews	12.00	12.00
For taxation matters*	7.25	12.00
For other services	293.84	11.00
Reimbursement of expenses	6.71	8.68
TOTAL	**383.37**	113.84

*includes payment to group firm

36 RELATED PARTY DISCLOSURE

i Names of related parties and nature of relationship: (As per Ind-AS)

a) Key Management Personnel (KMP):

1 Mr. S. Rajendran : Managing director & CEO
2 Mr. Rajendra Mehta : Whole-time director (upto 29 Nov, 2018)
3 Mr. Devendra Agrawal : Chief Financial Officer (upto 26 May, 2017) and Whole-time Director & CFO w.e.f. 27 May, 2017)
4 Mr. Hariraj Chouhan : Company Secretary

Non-executive directors

1 Mr. Venkat Chary (Retd. IAS)
2 Mr. A. Nagarajan (Retd. IAS)
3 Justice Rajan Kochar (Retd.)
4 Mr. Sunil Shah
5 Justice Deepak Verma (Retd.)
6 Mrs. Chitkala Zutshi (Retd. IAS)
7 Mr. Suresh Salvi (Retd. IAS)

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8 Mr. Kanekal Chandrasekhar (w.e.f. 27.09.2017)
9 Mr. Devender Singh Rawat (w.e.f. 12.02.2019)
10 Mr. Berjis Desai (Ceased w.e.f. 26.05.2017)
11 Mr. Jigish Sonagara (Ceased w.e.f. 10.08.2017)

b) Individuals / Entity owning, directly or indirectly, an interest in the voting power that gives control or significant influence.

1 La-fin Financial Services Pvt. Ltd. (La-fin)
2 Mr. Jignesh Shah

II Transactions with related parties

A) Transactions with Key Managerial Personnel (KMP), relatives of KMP and Entity over which KMP and relative of KMP can exercise significant influence:

(₹ in lakhs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
a Key Managerial Personnel (Executive directors)		
Remuneration		
Short-term employee benefits	362.97	395.60
Post-employment benefits*	-	-
Other long-term benefits*	-	-
Share-based payments	-	-
*Post-employment benefits which are actuarially determined on overall basis are not included.		
b Key Management Personnel (Non-executive directors)		
Director Sitting Fees & commission	84.25	77.00
Commission	20.00	83.00
Consultancy Fees	24.00	24.00

B) Transactions with Individuals owning, directly or indirectly, an interest in the voting power that gives control or significant influence, and relatives of any such individuals

(₹ in lakhs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Consultancy Fees*	300.00	275.00

*Amount paid to Mr. Jignesh Shah for providing strategic inputs in relation to ongoing legal matters and mentoring company's future vision.

37 EMPLOYEE BENEFIT PLANS

Defined contribution plans: Amount recongnised as expenses towards contribution to providend fund, employees state insurance corporation and other funds are ₹ 319.17 lakhs (Previous Year ₹ 423.28 lakhs)

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 Ind AS-19

(₹ in lakhs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
I. Change in benefit obligation:		
Projected benefit obligation at the beginning of the year	1,869.36	1,741.81
Interest Cost	146.66	130.75
Current Service Cost	221.64	222.00
Benefits Paid	(218.69)	(127.55)
Actuarial loss / (gain) on obligations	45.04	(97.65)
Projected benefit obligation at the end of the year	**2,064.00**	1,869.36
II. Change in plan assets		
Fair Value of the plan asset at beginning of the year	1,511.76	1,284.44
Expected return on plan assets	118.62	96.40
Contributions	184.68	266.61
Benefits paid	(218.89)	(127.55)
Cost of plan amendment / Liability Transfer In	-	-
Actuarial gain on plan assets	(13.98)	(8.14)
Fair value of plan assets at the end of the year	**1,582.19**	1,511.76
Excess of obligation over plan assets	**481.81**	357.60
III. Gratuity expense for the year		
Current service cost	221.64	222.00
Interest cost	138.26	123.07
Expected return on plan assets	(110.23)	(88.72)
Net actuarial (gain) / loss recognized	59.02	(89.51)
TOTAL	**308.69**	166.84
IV. Actual return on plan assets	104.64	88.26
V. Category of Assets as at end of the year		
Insurer Managed Funds	**1,582.19**	1,511.76
Fund is managed by LIC of India as per IRDA guidelines, category wise composition of planned asset is not available	-	-
TOTAL	**1,582.19**	1,511.76
VI. Assumptions		
Discount rate	7.76%	7.86%
Salary escalation rate	7.50%	7.50%
Expected rate of return on plan assets	7.76%	7.86%

VII. Experience adjustments	**2019**	**2018**	**2017**	**2016**	**2015**
Defined benefit obligation	2,064.00	1,869.36	1,741.81	1,551.71	1,384.22
Fair value of planned assets	1,582.19	1,511.76	1,284.44	1,199.27	1,079.43
Surplus / deficit	481.81	357.60	457.37	352.44	304.79
Experience adjustment on plan liabilities [(Gain) / Loss]	45.04	(97.65)	99.23	7.56	250.71
Experience adjustment on plan assets [Gain / (Loss)]	(13.98)	(8.14)	(8.64)	(3.36)	(18.57)

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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.

Expected contribution of ₹ 349.97 lakhs to the plan assets during financial year 2019-20.

38 STOCK BASED COMPENSATION

a) During the financial year 2011-12, Remuneration and Compensation Committee of the Company had granted 900,000 Stock 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 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 Compnay held on 25th September 2009 & 29th September 2010 respectively.

During the financial year 2012-13, Remuneration and Compensation Committee of the Company at their meeting held on March 05, 2013 has considered and approved the grant from reissue of lapsed / cancelled options of 1,86,630 Stock Options under the Employee Stock Option Schemes of which 74,350 options are granted under scheme-2009 and 1,12,280 options under scheme-2010 at a price of ₹ 807.70 to the eligible employees / Directors of the Company in terms of SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended from time to time.

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 2009		9,00,000	770.00	14.03.2012 - 13.03.2013
	March 14, 2012		770.00	14.03.2012 - 13.03.2014
			770.00	14.03.2012 - 13.03.2015
ESOP 2010		9,00,000	770.00	14.03.2012 - 13.03.2013
	March 14, 2012		770.00	14.03.2012 - 13.03.2014
			770.00	14.03.2012 - 13.03.2015
ESOP 2009		74,350	807.70	05.03.2013 - 04.03.2014
(reissue of lapsed / cancelled options)	March 05, 2013		807.70	05.03.2013 - 04.03.2015
			807.70	05.03.2013 - 04.03.2016
ESOP 2010		1,12,280	807.70	05.03.2013 - 04.03.2014
(reissue of lapsed / cancelled options)	March 05, 2013		807.70	05.03.2013 - 04.03.2015
			807.70	05.03.2013 - 04.03.2016

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 was nil, since the options were granted at the market price of the equity shares on the date of grant. The options shall vest in three installments of 20%, 30% and 50% at the end of 1st year, 2nd year and 3rd year respectively from the date of the grant and were to be exercised within three months from vesting of options or as may be determined by the Remuneration and Compensation Committee. During the financial year 2014-15, Remuneration and Compensation Committee of the Company has approved the modification of exercise period of 3 months from date of vest to three years from the date of vest (hereinafter referred as Modification 1). As approved by the Shareholders at the Annual General Meetings of the Compnay held on September 23, 2014, the Remuneration and Compensation Committee of the Company at their meeting held on October 01, 2014 has approved the modification of exercise price from ₹ 770.00 to ₹ 167.00 for grant dated 14th March 2012 and from ₹ 807.70 to ₹ 167.00 for grant dated March 05, 2013 (hereinafter referred as Modification 2). The tenure of the Schemes is for maximum period of five years from the date of grant of options.

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

Particulars	ESOP 2009 (Nos.)	ESOP 2010 (Nos.)
Options outstanding as at the beginning of the year	28,671	14,710
	(2,76,352)	(2,41,738)
Options granted during the year	-	-
	(-)	(-)
Options exercised during the year	-	-
	(-)	(-)
Options lapsed / forfeited / cancelled during the year	28,671	14,710
	(2,47,681)	(2,27,028)
Options outstanding as at the year-end	-	-
	(28,671)	(14,710)
Options exercisable as at the year-end	-	-
	(28,671)	(14,710)

Note: 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) The Company has recognised ₹ Nil (Previous Year ₹ Nil) as expenses on employee stock option (ESOP) schemes in the Statement of Profit & Loss.

The details of pre modification and post modification values in respect of Modification 1 and Modification 2 are given below:

(₹ per option)

Scheme Name Particulars	Grant Date	Fair value on date of grant	Fair value pre - Modification 1	Fair value post-Modification 1	Incremental value due to Modification 1	Fair value pre- Modification 2	Fair value post-Modification 2	Incremental value due to Modification 2	Total incremental value
ESOP 2009 & ESOP 2010	14-03-2012	249.05	(136.64)	80.45	217.09	47.72	109.41	61.69	278.78
ESOP 2009 & ESOP 2010	05-03-2013	238.67	(51.43)	104.27	155.70	62.12	139.71	77.59	233.29

Following parameters have been considered for calculating the weighted average fair value of each option using the Black-Scholes Option Pricing Formula:

a) On the date of grant during FY 2011-12 and reissue during FY 2012-13

Particulars	ESOP 2009 & ESOP 2010	
	Options granted during FY 2011-12	Options granted during FY 2012-13
i) Expected volatility	42.18% to 45.94%	38.57% to 39.27%
ii) Option life	1.13 years to 3.13 years	1.13 years to 3.13 years
iii) Dividend yield	0.68%	0.74%
iv) Risk-free interest rate	8.13% to 8.18%	7.80% to 7.83%

The weighted average fair value of each option on the date of grant / reissue is ₹ 249.05 / ₹ 238.67 respectively for options granted in FY 2011-12 and FY 2012-13 respectively.

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b) On the date of Modification 1

Particulars	ESOP 2009 & ESOP 2010	
	Options granted during FY 2011-12	Options granted during FY 2012-13
i) Expected volatility	99.32% to 123.68%	85.92% to 124.01%
ii) Option life	1.30 year to 2.10 years	1.29 years to 3.08 years
iii) Dividend yield	1.03%	1.03%
iv) Risk-free interest rate	8.76%	8.76% to 8.77%

c) On the date of Modification 2

Particulars	ESOP 2009 & ESOP 2010	
	Options granted during FY 2011-12	Options granted during FY 2012-13
i) Expected volatility	103.61% to 127.97%	88.00% to 128.51%
ii) Option life	1.23 year to 1.95 years	1.21 years to 2.93 years
iii) Dividend yield	1.03%	1.03%
iv) Risk-free interest rate	8.69% to 8.71%	8.67% to 8.71%

d) To allow for the effects of early exercise, it is assumed that the employees would exercise the options after vesting date.

e) 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.

39 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

(₹ in lakhs)

Particulars	STP Technologies / solutions	Others	Elimination	Total
External revenue	24,520.13	1,592.92	-	26,113.05
	(30,642.49)	(1,582.59)	(-)	(32,225.08)
Inter-segment revenue	331.53	1.20	332.73	-
	(320.05)	(1.20)	(321.25)	(-)
Net Sales / Income from operations	24,851.66	1,594.12	332.73	26,113.05
	(30,962.54)	(1,583.79)	(321.25)	(32,225.08)
Segment result	5,230.20	(6,411.93)	(63.72)	(1,118.01)
	(12,526.21)	(-8065.42)	(-4834.98)	(9,295.77)
Add: Unallocable income				5,026.40
				(1,507.94)
Less: Unallocable expenses				20,865.12
				(19,708.47)
Less: Finance costs				440.36
				(969.88)

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(₹ in lakhs)

Particulars	STP Technologies / solutions	Others	Elimination	Total
Add: Interest Income				15,281.99
				(19,104.76)
Less: Exceptional Item				(297.05)
				(-2686.43)
Profit / (Loss) before tax				(2,412.15)
				(6,543.69)
Less: Provision for taxation (including taxes in respect of earlier years and tax effect on exceptional item)				1,132.65
				(5,356.90)
Profit / (Loss) after tax before share of results of minority interest				(3,544.80)
				(1,186.79)

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.
   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:

(₹ in lakhs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Net Revenue / Income from Operations		
Within India	25,821.25	31,883.65
Outside India	291.80	341.43
TOTAL	26,113.05	32,225.08

40 The aggregate amount of revenue expenditure incurred during the year on Research and Development and shown in the respective heads of the account is ₹ 1,968.47 lakhs (Previous Year ₹ 1,653.55 lakhs).

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41 FINANCIAL INSTRUMENTS

Financial instruments by category

The carrying value and fair value of financial instruments by categories as at March 31, 2019 and March 31, 2018 as follows:

(₹ in lakhs)

Particulars	Amortised Cost / Cost	FVTOCI	FVTPL	Fair Value / Carrying Value
As at 31.03.2019				
Financial assets				
Investments				
In Equity Instruments of Others	-	-	1,327.11	1,327.11
In Government and Trust Securities	-	-	51.83	51.83
In Bonds	89,597.52	-	-	80,607.08
In Mutual Funds	-	-	10,648.69	10,648.69
Cash and cash equivalents	16,978.27	-	-	16,978.27
Bank balances other than (iii) above	96,531.54	-	-	96,531.54
Trade receivables	7,013.91	-	-	7,013.91
Loans	561.55	-	-	561.55
Other financial assets	52,729.19	-	-	52,729.19
TOTAL FINANCIAL ASSETS	**2,63,411.98**	**-**	**12,027.63**	**2,66,449.17**
Financial liabilities				
Borrowings	433.25	-	-	433.25
Trade payables	4,730.21	-	-	4,730.21
Other financial liabilities	16,443.57	-	-	16,443.57
TOTAL FINANCIAL LIABILITIES	**21,607.03**	**-**	**-**	**21,607.03**
As at 31.03.2018				
Financial assets				
Investments				
In Equity instruments	-	-	1,347.20	1,347.20
In Government and Trust Securities	-	-	52.58	52.58
In Bonds	1,42,802.40	-	-	1,40,627.54
In Mutual Funds	-	-	9,992.26	9,992.26
Cash and cash equivalents	59,892.45	-	-	59,892.45
Bank balances other than (iii) above	20,106.77	-	-	20,106.77
Trade receivables	4,479.72	-	-	4,479.72
Loans	616.73	-	-	616.73
Other financial assets	55,045.18	-	-	55,045.18
TOTAL FINANCIAL ASSETS	**2,82,943.25**	**-**	**11,392.04**	**2,92,160.43**
Financial liabilities				
Borrowings	10,114.36	-	-	10,114.36
Trade payables	3,898.72	-	-	3,898.72
Other financial liabilities	16,515.18	-	-	16,515.18
TOTAL FINANCIAL LIABILITIES	**30,528.26**	**-**	**-**	**30,528.26**

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as under:

- Level 1 hierarchy includes methods and input that use active quoted prices depending upon type of instrument. Management has used closing prices and values of closing NAV's as applicable in case of financial instruments covered under this level.

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- Under level 2 the fair value of the financial instruments that are not traded in any active market are determined using appropriate valuation techniques with the use of observable market data without relying much on the estimates that are entity specific. The inputs under this level are always observable.
- In case of level 3 if one or more of the significant inputs are not derived on the basis of observable market data then fair value estimations derived with such inputs are included in level 3.
- The Company follows a policy to recognise transfers between the levels only at the end of reporting period and accordingly there are no transfers between levels during the year.

The information based on the above levels is tabulated here below:

Fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

(₹ in lakhs)

	Fair value measurement at end of the reporting period / year using		
Particulars	**Level 1**	**Level 2**	**Level 3**
As at 31.03.2019			
Assets at fair Value:			
In mutual funds	10,648.67	-	-
In equity instruments of others	-	-	1,327.11
In government and trust securities	-	-	51.83
Liabilities at fair Value:	-	-	-
As at 31.03.2018			
Assets at fair Value:			
In mutual funds	9,992.26	-	-
In equity instruments of others	-	-	1,347.20
In government and trust securities	-	-	52.28
Liabilities at fair Value:	-	-	-

Fair value hierarchy of assets and liabilities measured at amortised cost for which fair values are disclosed:

(₹ in lakhs)

		Fair Value		
Particulars	**Carrying amount**	**Level 1**	**Level 2**	**Level 3**
As at 31.03.2019				
In Bonds	80,607.08	-	-	80,607.08
As at 31.03.2018				
In Bonds	1,40,627.54	-	-	1,40,627.54

Reconciliation of Level 3 fair value measurement is as follows:

(₹ in lakhs)

	As at 31.03.2019	**As at 31.03.2018**
In equity instruments of others		
Balance at the beginning of the year	**1,314.61**	1,516.97
Purchase during the period	-	32.59
Gain on Fair Valuation of Financial Assets	12.50	133.12
Impairment during the year	-	-
Sale / Settlement during the year	-	368.07
Balance at the end of the year	**1,327.11**	1,314.61

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(₹ in lakhs)

	As at 31.03.2019	As at 31.03.2018
In government and trust securities:		
Balance at the beginning of the year	**52.12**	83.90
Purchase during the period	-	-
Impairment during the year	(0.46)	-
Sale / Settlement during the year	0.75	31.78
Balance at the end of the year	**51.83**	52.12

Calculation of fair values:

The fair values of Investments in mutual funds are based on Net Asset Values (NAV) published by fund houses and uploaded on Association of Mutual Funds of India (AMFI)'s website. The unlisted equity shares are fair valued on the basis of latest available financial statements of the companies. The securities which are listed but not frequently traded are fair valued based on the estimated rate as per prevailing market condition as on reporting date as received from market intermediary. Trust securities are fair valued based on latest available Net Asset Value report from the trustee company.

Income, expenses, gains of losses on financial instruments:

(₹ in lakhs)

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Financial assets carried at amortised cost		
Interest income	8,609.71	17,146.51
Loss allowance on trade receivable no longer required, written back	385.23	77.58
Fair value loss reclassified from OCI on sale of investments	-	(1,881.06)
Impairment of financial assets at amortised cost	(0.75)	(3,767.45)
Bad trade receivable / advances written off	1,768.68	17.64
Loss on reclassification of financial assets from amortised cost to fair value included in Other Comprehensive Income	-	(2,047.94)
Financial assets carried at fair value through profit or loss		
Dividend	0.09	4.56
Gain / (loss) on fair valuation	825.86	738.16
Financial liabilities carried at amortised cost		
Interest expenses	440.36	969.88
Advances received written back	43.25	121.24
Net loss on foreign currency translations	1,251.69	98.93

42 RISK MANAGEMENT

Credit risk management

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals of customers to which the Group grants credit terms in the normal course of business and their past transactions. Impairment losses in respect of trade receivables are assessed at party level on each reporting date. The Group establishes an expected credit loss allowance for trade receivables based on historical trends.

Financial instruments and bank balances:

The Group limits its exposure to credit risk by generally investing in securities with a good credit rating. The credit rating is being reviewed by the Group periodically. Please refer Note 49 regarding the Parent Company's investment in Non-Convertible Debentures of IL&FS Transportation Networks Ltd. Balances with banks are subject to low credit risks due to good credit ratings assigned to these banks.

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Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations.

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2019 and March 31, 2018:

As at 31.03.2019 (₹ in lakhs)

Period (in days)	Borrowings	Trade Payables
Upto 180 days	-	4,730.21
181 - 365 days	176.70	-
More than 365 days	256.55	-

As at 31.03.2018 (₹ in lakhs)

Period (in days)	Borrowings	Trade Payables
Upto 180 days	-	3,898.72
181 - 365 days	10,114.36	-
More than 365 days	-	-

FOREIGN CURRENCY RISK

The Group's exchange risk arises primarily from its foreign currency borrowings, and balances in overseas bank accounts (in U.S. dollars). The exchange rate between the Indian rupee and US dollars has changed substantially in recent periods and may continue to fluctuate in the future. The Group has entered into forward contract for partial amount of its borrowings as on 31.03.2019 to mitigate the foreign exchange exposure of borrowings due in short term.

As at 31 March, 2019, the net unhedged exposure to the Group on holding financial assets (trade receivable and capital advances) and liabilities (trade payables and capital creditors) other than in their functional currency amounted to rupees ₹ NIL payable (31st March, 2018: ₹ 10,114.36 lakhs).

For the year ended March 31, 2019 every 1% increase / decrease of the respective foreign currencies compared to functional currency of the Group would result in loss / gain of ₹ 15.79 lakhs

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates was related primarily to the Group's debt obligations with floating interest rates. To mitigate the interest rate risk, the Group had entered into interest rate swap contracts for covering partial borrowing to fixed rate of interest from floating rate. The Group's investment are primarily in long term fixed interest rate securities and hence do not carry substantial interest rate risk.

The Group's investment are primarily in long term fixed interest rate securities and hence do not carry substantial interest rate risk.

Price Risk

The Group is mainly exposed to the price risk due to its investment in debt mutual funds. The price risk arises due to uncertainties about the future market values of these investments.

The Group has laid policies and guidelines which it adheres to in order to minimise price risk arising from investments in debt mutual funds.

43 During the previous year ended March 31, 2018, transaction relating to granting license of the application software PowerARMS™ DAM, Power ARMS™ TAM & REC, Back Office and SLDC software along with source code to Indian Energy Exchange (IEX) was completed and the Parent Company had recognized revenue of ₹ 9,720.00 lakhs. During the current year balance of ₹ 1080.00 lakhs which was kept in escrow account as per the term of agreement was released and included in revenue. The said license is perpetual, irrevocable, non-transferable and non-assignable.

44 During the year, Bahrain Financial Exchange BSC (c) (BFX), which is a stepdown subsidiary through FT Group Investments Pvt. Ltd. a Mauritius based entity, along with its subsidiary, BFX Clearing and Depository Corporation B.S.C (c) (BCDC) were dissolved and final distributions were made to shareholders.

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45 The parent Company has executed a Share Purchase Agreement (SPA) with NTT Data Corporation, Japan, for sale of its 55.35% stake in Atom Technologies Limited, a subsidiary of the Company, for an aggregate consideration of USD 9.24 million. The completion and closure of the said transaction is subject to fulfilment of certain customary closing conditions and the Company obtaining necessary Orders / approvals from the relevant Courts and National Company Law Appellate Tribunal in respect of the said transaction.

46 The Group has a total MAT credit entitlement of ₹ 9,018.43 lakhs as at March 31, 2019, during the year the Group has utilized MAT credit of ₹ 178.79 lakhs for the year ended March 31, 2019. The management of the Group is confident that the Group will be able to utilize unexpired MAT entitlement in future projected years.

47 As per Section 135 of the Companies Act 2013, during the year the parent Company was required to spend ₹ 45.30 lakhs (Previous year ₹ 56.72 lakhs) towards a Corporate Social Responsibility (CSR). During the year, an amount ₹ 151.60 lakhs (Previous Year ₹ 387.95 lakhs) were utilized on the activity specified in Schedule VII of the Companies Act, 2013. to a separate Balance earmarked funds were transferred bank account and ₹the same shall be utilized on activities which are specified in Schedule VII of the Companies Act, 2013.

48 During the previous year ended March 31, 2018, certain perpetual bonds of various reputed banks in which the parent Company had invested were prematurely redeemed on their own by the respective banks on account of RBI placing the banks under Prompt Corrective Action (PCA) as regulatory event and without any instructions / action of the Company. The original call dates of each of the aforesaid Bonds were much later in time, with the earliest being January 12, 2020, however these banks opted for premature redemptions. Consequently, the Parent Company has recognized impairment loss to the extent of ₹ 3,145.92 lakhs in respect of these bonds which has been shown under exceptional items in previous year.

49 The Parent Company has investment in 11.50% Non-Convertible Debentures and 11.80% Non-Convertible Debentures issued by IL&FS Transportation Networks Ltd. (ITNL) (subsidiary of Infrastructure Leasing & Finance Ltd. – ILFS) amounting ₹ 10,000 lakhs each (face value) which shall mature in June & December 2024 respectively. The debentures are secured by way of charge on certain assets of ITNL. The ILFS group has been facing severe liquidity crisis. The National Law Tribunal has allowed the government to supersede the board of ILFS and appoint its nominees. The new board has initiated the efforts under supervision of NCLT to monetise the assets of ILFS group companies to reduce their debts, outcome of which is awaited. The Parent Company is monitoring developments and has filed application with NCLAT for seeking impleadment in matter of ILFS as financial creditor. In view of above, the Parent Company is unable to estimate any allowance for expected credit loss for these investments. Further, ITNL has defaulted on half yearly interest payment which was due in January 2019 and hence on conservative basis, the Parent Company has estimated credit loss to the extent of 100% interest due till March 31, 2019 amounting to ₹ 1,618.27 lakhs and derecognised.

50 During the previous year, the Securities Exchange License of step down subsidiaries Bourse Africa Limited (BAL), a wholly owned subsidiary of FT Group Investments Pvt. Ltd. (FTGIPL), Mauritius was terminated together with Clearing & Settlement Facility License of BAL's wholly owned subsidiary Bourse Africa Clear Limited. (BACL). During the year, management of these companies has appointed liquidator to wind up the companies

51 The Subsidiary Company viz. NSEL carry out the activities of procurement and / or processing of commodities on behalf of principals. The risk and rewards to the companies are operational, executional and incidental to the activities of procurement

(₹ in lakhs)

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
A. Sale of traded goods	6.17	8.29
B. Cost of goods sold	5.20	7.80
C. Income from procurement services	0.97	0.49

52 The writ petition filed by the Parent Company challenging the legality and propriety of the Forward Markets Commission's ('FMC') order on the Parent Company inter alia declaring "not a fit & proper person" is pending for hearing before the Hon'ble Bombay High Court. Solely based on FMC order, SEBI and CERC declared not a fit and proper person to hold shares in recognized stock exchanges and power exchanges respectively. The Parent Company has filed civil appeals before Hon'ble Supreme Court challenging the SEBI order and CERC order. The Hon'ble Supreme Court disposed the civil appeal filed against SEBI order with direction to pursue FMC order before the Hon'ble Bombay High Court along with liberty to move again the Hon'ble Supreme Court in the event FMC order set aside. The civil appeal against CERC is pending for hearing.

53 The Parent Company has challenged EOW letter dated February 28, 2015 before the Hon'ble Bombay High Court wherein the Hon'ble Bombay High Court by its order dated June 12, 2015 granted a stay to EOW letter dated February 28, 2015 on the condition that the Company shall deposit ₹ 84 crores from the sale proceeds of IEX within four weeks from completion of sale of IEX. Accordingly, the Company has deposited ₹ 84 crores with the Registrar, Criminal Appellate Side, High Court, Bombay. The matter is pending for hearing before the Hon'ble Bombay High Court.

54 The Hon'ble Bombay High Court passed an ad interim order inter alia restraining the Parent Company from distributing any dividend or depositing the same in the dividend distribution account in accordance with the provisions of the Companies Act, 1956 (to be read as Companies Act, 2013)

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pending the final hearing and disposal of the Notice of Motion. This Notice of Motion was filed in one of the suits. In compliance to the said order, the Parent Company has not distributed the final dividend for the financial year 2014-15 @ ₹ 5/- per share amounting to ₹ 2,303.93 lakhs, to the shareholders pursuant to the directions of the Hon'ble Bombay High Court and hence is not in default in compliance with the statutory provisions under the Companies Act, 2013. Further, the shareholders of the Parent Company have approved final dividend for year 2016-17 and 2017-18 @ ₹ 2/- per share for each year, aggregating to ₹ 1,843.14 lakhs, subject to appropriate judicial order which is also pending for distribution to the shareholders due to aforesaid restrictions. All the Notice of Motions and the Contempt Petitions filed against the Parent Company have been tagged together and pending for hearing.

On May 27, 2019, the Board of Directors of the Parent Company have proposed a final dividend of ₹ 2 per share in respect of the year ended March 31, 2019 subject to the approval of shareholders at the Annual General Meeting. The proposal is subject to the approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately ₹ 1,084.20 lakhs, inclusive of corporate dividend tax of ₹ 189.43 lakhs. The distribution of dividend is subject to appropriate Judicial order.

55 On February 12, 2016, Ministry of Corporate Affairs ("MCA") passed a final order of amalgamation (Final Order) of National Spot Exchange Limited (NSEL) with the Parent Company under Section 396(1) of the Companies Act, 1956. The Parent Company had challenged the Final Order by way of a Writ Petition before the Hon'ble Bombay High Court, which was dismissed by the Hon'ble Bombay High Court by its order dated December 4, 2017. The Parent Company filed a Special Leave Petition against the said order dated December 4, 2017 before the Hon'ble Supreme Court of India. The Hon'ble Supreme Court of India was pleased to allow the appeal and set aside the order dated December 4, 2017 and was pleased to held that the amalgamation order dated February 12, 2016 is ultra vires Section 396 of the Companies Act, and violative of Article 14 of the Constitution of India.

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

The NCLT vide its order dated June 4, 2018, rejected the prayer of the Union of India for removal and supersession of the entire Board of the Parent Company and ordered MCA to nominate three directors on the board of the Parent Company. The Parent Company has preferred appeal before the NCLAT, Delhi, against the said NCLT order. The NCLAT was pleased to stay the NCLT order. As interim arrangement, while pending the appeal functioning of Committee is continued. The appeal is pending for hearing

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

b. First Information Reports (FIRs) have been registered against various parties, including the Parent Company, with the Economic Offences Wing, Mumbai (EOW) and Central Bureau of Investigation (CBI) in connection with the counter party payment default on NSEL trading platform. After investigation, EOW, Mumbai has presently filed 4 charge-sheets in the matter. The Parent Company has been named in the charge sheet in December, 2018 copy of which was received by the Parent Company in April, 2019. CBI has filed charge-sheets including against the Parent Company for alleged loss caused to PEC Ltd. & MMTC Ltd. on NSEL platform and the case is pending for trial before the CBI court

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

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

58 a. The Parent Company has filed a Writ Petition before the Bombay High Court challenging inter alia, the provisions of the MPID act are violative of the Constitution and the notification dated September 21, 2016, attaching the assets of the Parent Company under the provisions of the MPID. The matter is reserved for order.

b. The State Government under the MPID Act has attached several Bonds, bank accounts, investments, Fixed Deposits and ODIN software and its receivables of the Parent Company vide gazette notifications dated April 04, 2018, April 07, 2018, April 11, 2018, April 17, 2018, April 19, 2018 May 15, 2018, September 19, 2018 and corrigendum dated September 27, 2018, the Competent Authority has filed Misc. Applications

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before the MPID Court to make absolute the attached properties mentioned in aforesaid gazette notifications. The Parent Company has filed a writ petition before the Hon'ble Bombay High Court challenging the legality and validity of the aforesaid notifications. The writ petition was admitted by the Hon'ble Court. The State Government and NSEL traders filed SLPs challenging the Hon'ble Bombay High Court order before the Hon'ble Supreme Court, which was dismissed by the Hon'ble Supreme Court. The writ petition is reserved for order.

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

60 The Serious Frauds Investigation Office ('SFIO') published a Public Notice during December 2016 in a newspaper wherein it has been mentioned that the Central Government had directed the SFIO to investigate into the affairs of the Parent Company. The Parent Company learned that SFIO has concluded its investigation and filed report to Central Govt.

61 Modulus Financial Engineering filed a copyright infringement suit against the Parent Company claiming that the Parent Company had breached the license granted by Modulus to the Parent Company in the use of its ODIN software. The Parent Company has denied all these claims in its reply and written statement. The Notice of Motion seeking interim relief against the Parent Company has been disposed of by a consent order. The suit is pending for final hearing and disposal.

Various updates and relevant notes relating to NSEL and its subsidiary companies: (Note No. 62 to 80)

62 SETTLEMENT GUARANTEE FUND

i. SGF-MC balance as at March 31 ,2019

NSEL has a separate Settlement Guarantee Fund, which is created out of Members' Contribution (SGF-MC) in respect of the activities carried out on the spot trading in various contracts on Exchange. The members are required to contribute to the fund in the form of security deposit and interest free margin money in the form of cash and non-cash, which forms part of the SGF-MC. The margin money was refundable, subject to adjustments, if any and exposure of members. The cash margin money forming part of SGF-MC was ₹ 3,746.09 lakhs (Previous year ₹ 3,746.09 lakhs) (included in Note 19 on other current financial liabilities under members liabilities). NSEL had also collected non cash portion of the SGF-MC comprising of collaterals such as bank guarantees, securities and fixed deposits receipts received from the members amounting to ₹ Nil (Previous year ₹ NIL).

The composition of SGF-MC as on March 31, 2019 was as under.

(₹ in lakhs)

Initial Margin	As at 31.03.2019	As at 31.03.2018
Cash Margin	3,746.09	3,746.09
Non Cash Margin - FDR	-	-
Non Cash Margin - Bank Guarantee	-	-
TOTAL	**3,746.09**	**3,746.09**

It is a practice in India among the Stock and Commodity Exchanges that SGF-MC consists of aforesaid 2 components viz. cash and non-cash, collected from the members as security deposit and margin money. Cash Component shall form part of liabilities in Balance Sheet.

Non cash component is disclosed by way of "Notes to Accounts."

ii. The SGF-MC currently shows a net outstanding amount of ₹ 3,746.09 lakhs (Previous year ₹ 3,746.09 lakhs) which is pertaining to the existing non-defaulting clearing Members. While the exchange has taken many legal, regulatory and commercials measures against the defaulters, it is not clear how much money would be eventually recovered and by when, as the entire process is sub-judice. In case the Exchange fails to secure the balance money or there is undue delay in recovery then the exchange would as per the bye laws call for the balance amount as may be considered appropriate to be recovered from the all non-defaulting clearing members as per its bye law number 12.9.2 and 12.10 besides other applicable bye laws for settlement of claims. However, this decision would be taken post the legal adjudication of pending legal cases wherein this subject matter is being adjudicated or at an appropriate time when considered suitable by the Board of Director's of NSEL.

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63 OTHER MATTERS PERTAINING TO SETTLEMENT DEFAULT AND RECOVERIES

In NSEL, as on the date of the Balance Sheet, amounts to be recovered from defaulting members is ₹ 5,225.55 crores (Previous Year ₹ 5,225.55 crores) and amount to be paid to non-defaulting members is ₹ 4,905.60 crores (Previous Year ₹ 4,905.60 crores). Apart from this, an amount of ₹ 209.11 crores (Previous Year ₹ 209.11 crores) is payable to certain seller Members after completion of required documentation on part of seller Members. However major portion of the same is yet to be recovered from buying members and such unrecovered amount is included in amount recoverable from defaulting members. None of the amounts payable to members are liabilities of NSEL, as the Exchange is only a provider of platform to its members for trading.

64 While NSEL had completed the settlement to other ITCM's and TCM's for settlement period up to 30th July, 2013, certain amount was due to IBMA pertaining to settlement obligation up to such period. Such funds were receivable for onward payment to IBMA constituent members and clients. In the absence of the release of the amounts in the aforesaid settlement the IBMA had released such payments, in favor of its constituents out of funds available at its disposal. The outstanding settlement obligation receivable as on the balance sheet date is presented on net basis after reducing amount payable to the constituent members and clients along with other credits in the trading member and client ledger. Accordingly an amount of ₹ 1,876.44 lakhs is shown under "Other assets" in the balance sheet.

65 a In case of NSEL, out of the recoveries made from defaulting members, Competent Authority (CA) have disbursed some amounts to members during current year and earlier years. NSEL has not received details from CA of such recoveries and disbursement to members. In absence of details of such recoveries and disbursement with NSEL, NSEL has not updated its Exchange books.

b In case of IBMA, out of the recoveries made from defaulting members of Exchange, Competent Authority (CA) have disbursed some amounts to members and clients during current year and earlier years. IBMA has not received details from CA of such recoveries and disbursement to members and clients. In absence of details of such recoveries and disbursement with the IBMA, IBMA has not updated its records.

66 ARBITRATION AWARD IN CASE OF NAFED AGAINST PROCUREMENT TRANSACTIONS:

In case of NSEL, outstanding recoverable from National Agricultural Co-operative Marketing Federation of India Limited (NAFED) against procurement of cotton as on 31st March 2018 was ₹ 6,984.71 lakhs net of provision ₹ 6,529.44 lakhs and shown under "Other Current Assets" and ₹ 702.74 lakhs has been shown under Trade receivables. Apart from this, an amount of ₹ 426.65 lakhs was receivable by NAFED from parties against sale of cotton seeds. Said amount was to be adjusted against payment of Ginning and pressing charges payable by NSEL. Accordingly, net amount recoverable from NAFED was ₹ 6,805.53 lakhs.

During the Financial year 2017-18, NSEL had received arbitration award dated 1st May 2017 in the above matter.

Award states that NAFED has to pay an amount of ₹ 6,805.53 lakhs for season 2008-09 and 2012-13 along with interest from the date of occurrence to the date of award which works out to be ₹ 8,935.93 lakhs. Award also states cost of arbitration to be paid is ₹ 25.00 lakhs and further interest shall be paid @ 14% p.a. from the date of award till the date of actual payment.

The said Award dated 1st May, 2017 was challenged by NAFED before the Hon'ble Delhi High Court and Hon'ble Supreme Court of India and the Appeals were dismissed and both the Hon'ble Courts confirmed the award except the future interest was reduced to 12% p.a. from 14% p.a. and cost was reduced to ₹ 10.00 lakhs from ₹ 25.00 lakhs.

During the year in Execution Petition filed by NSEL against NAFED in the Hon'ble Delhi High Court, NSEL has received amount of ₹ 6,516.73 lakhs from NAFED and another amount ₹ 3,214.94 lakhs was deposited by NAFED as per order of the Hon'ble Delhi Court dated 28th May, 2018 & 11th Jul 2018 in the Delhi High Court Registry. The NAFED has filed Chamber Summons before the Hon'ble High Court of Bombay Seeking transfer an amounts ₹ 3,214.94 lakhs from the registry of Delhi High Court to NSEL Escrow account and further prayed that same to be distributed to the traders. The Chamber summons is pending before High Court of Bombay and next date of same is 17th June, 2019.

NSEL has accounted receipt of the amount of ₹ 6,516.72 lakhs and balance excess provision of ₹ 37.37 lakhs has been reversed during the year. An amount of ₹ 288.81 lakhs is shown under "Other Current Assets".

Interest on award and cost of arbitration will be accounted on receipt basis.

NSEL has not treated the amount deposited by NAFED directly with registry as receipts from NAFED and has kept its claim pending from NAFED.

67 IMPAIRMENT OF FINANCIAL ASSET

In case of NSEL, it had utilized its own funds to the extent of ₹ 24,372.92 lakhs in settlement to members. These amounts are appearing under "Other Financial Assets as "other receivable".

NSEL will get the amount out of recovery from defaulting members. NSEL has secured decrees / Arbitration Award worth ₹ 3,365.00 crores and has initiated execution proceedings against the Defaulting members to recover Decretal amounts and further expects to recover full money from defaulting members and do not expect any loss on that account. Accordingly, provision for impairment of Financial Asset related to above receivables is not made.

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The table showing the Decree and Award obtained by NSEL is given herein below.

(₹ in crores)

Sr. No.	Defaulter	Total of Decree and Arbitration award
1	Mohan India Pvt. Ltd.	922.00
2	Tavishi Enterprises	
3	Ark Imports Pvt. Ltd.	719.37
4	P D Agroprocessors Pvt. Ltd.	633.75
5	Yathuri Associates	399.60
6	Lotus Refineries Pvt. Ltd.	252.47
7	Juggernaut Projects Ltd.	145.00
8	Aastha Minmet India Pvt. Ltd.	12.50
9	Swastik Overseas Corporation	91.19
10	White Water Foods Pvt. Ltd.	84.82
11	Ncs Sugars Limited	58.85
12	Spin Cot Textiles Pvt. Ltd.	36.63
13	Msr Food Processing	8.82
	TOTAL	**3,365.00**

68 In case of NSEL the commodities lying in the designated delivery centers / warehouses relating to transactions carried out by members on exchange platform were not the property of NSEL and hence such inventory of commodities is not getting reflected in the books of accounts of NSEL. Similarly, such inventory was never purchased by NSEL and hence any liability thereto was neither liability of NSEL nor contingent liability of NSEL requiring any disclosure. This is an admitted fact in various proceedings pending before various forums. This is also the industry practice.

69 NSEL in FY 2013-14, appointed M/s. SGS and M/s. Group 4 securities to survey & secure stocks respectively at various warehouses. Wherever the agency could find the commodities, NSEL took said commodities in its possession for liquidating the same. NSEL is in process of liquidating the commodities by following auction process under supervision and direction from MPID Court through Competent Authority. NSEL is incurring warehousing rent and security charges to safeguard the commodities lying at such warehouses.

70 In NSEL, with regard to internal controls relating to storage of goods and issuance of warehouse receipts, prior to the suspension of the exchange related operations of the company, it is the case of NSEL that the concerned officials in management might have colluded with the defaulting members and apparently facilitated issuance of warehouse receipts purportedly without adequate underlying stocks, which is under investigation. It is a fact that there were cases where stocks were available and in some cases adequate stock was not available. The Members were satisfied with the same, without any demur as some of them in fact visited the concerned warehouses. The verification of reconciliation of the commodities claimed to have been made available by erstwhile management with the other corroborative documents, contemporaneously maintained at various levels is possible only after investigations are concluded. The relevant documents and other records have been seized by investigation agencies and the exact nature of malfeasance and mismatch if any, cannot be ascertained at this stage. Investigating agencies are investigating genuineness of the warehouse receipts issued by the Exchange and impact on financials if any can be ascertained after investigations are concluded and orders are obtained from the Court. Enforcement Directorate has applied provisions of Prevention of Money Laundering Act 2002 (PMLA) on defaulting members and NSEL.

71 LEGAL AND REGULATORY FRAMEWORK FOR SPOT EXCHANGE AND RELATED ISSUES IN NSEL

The operations of NSEL are currently suspended. NSEL had carried its 'exchange related activities' up to July 31, 2013 and launch of new contract was suspended from August 01, 2013 and e-Series contracts were traded till August 06, 2013, as the launching of new e-Series contracts was suspended from August 07, 2013 as per notification of Ministry of Consumer Affairs. The chronology of events took place post settlement default is as under:

a. Legal and Regulatory framework

NSEL had commenced its trading activities on October 15, 2008 pursuant to an exemption notification no. S.O. 906 (E) dated June 05, 2007 issued by the, Ministry of Consumer Affairs, Govt. of India (MCrA) ("the exemption Notification"). Subsequently, Forward Markets Commission (FMC) was nominated as the Designated Agency w.e.f. August 5, 2011 by the Ministry of Consumer Affairs vide letter S.No.(3)/f.No. 12/3/2003-IT(Pt).

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This was notified vide notification No.S.O.228(E) dated 06 February 2012.

NSEL received Show Cause Notice (SCN) dated April 27, 2012 from MCrA, alleging violation of certain conditions of the Exemption Notification by NSEL. The Company replied to the SCN vide its letter dated May 23, 2012. The Company followed-up with MCrA vide letters dated August 11, 2012 and July 8, 2013. The market was also informed about the SCN dated April 27, 2012 along with Companies response vide communication dated October 03, 2012.

Subsequently, MCrA vide its letter dated July 12, 2013 directed NSEL to submit an undertaking in the context of the said SCN stating that:

i. No further / fresh contracts shall be launched until further instructions from the concerned authority.

ii. All the existing contracts will be settled on the due dates.

Accordingly, NSEL submitted an undertaking on July 22, 2013, stating that:

i. We undertake not to launch any further / fresh contracts in new commodities and/or at new places till further instruction from concerned authority.

ii. We undertake that we shall settle all the contracts traded on the Exchange on their respective 'settlement due dates', as per contract specification notified by the Exchange.

In view of the above, there was loss of trading interest among the participants due to uncertainties leading to trade in-equilibrium. There was possibility of payment and settlement defaults at NSEL exchange platform by some trading members, which came to the notice of Board on July 30, 2013. Therefore, NSEL issued a circular on July 31, 2013, informing its members inter-alia that with immediate effect all one day forward contracts would be suspended till further instructions; however the trading in e-series contracts, e-auction, e-procurement, MSP operations on behalf of Government agencies (NAFED and SFAC), etc. would continue.

The trading platform of the Exchange was suspended w.e.f. August 07, 2013 under directions from the MCrA vide notification No. F.No.12/3/2003-IT (Vol. II) dated August 06, 2013. The Government by gazette notification S.O. 2529(E) dated September 19, 2014 has withdrawn the gazette notification S.O. 906 (E) dated June 05, 2007 (exemption notification) with immediate effect. FMC vide letter dated November 05, 2014 has informed NSEL that the notification S.O. (E) 228 dated February 06, 2012 and notification S.O. 2406 (E) dated August 06, 2013 ceased to be in force w.e.f. September 19, 2014.

b. Irregularities identified in NSEL

In view of the alleged fraud perpetrated by the defaulting members in collusion with the erstwhile Managing Director & Chief Executive Officer of NSEL and other senior officials and due to sudden suspension /termination of the trading activities on the exchange platform, settlement payment default to the tune of ₹ 5,689.50 crores occurred.

NSEL has launched complaints against Mr. Anjani Sinha, ex-MD & CEO and other senior officials with Mumbai Police. Relevant documents and other records have been seized by investigating agencies and the exact nature of malfeasance and mismatch, if any, as to commodities cannot be ascertained at this stage. Without completion of investigation, impact if any, of the said irregularities on NSEL, cannot be ascertained. Since matter is under investigation by EOW, CBI and ED, neither the nature of irregularity involved in such misuse of powers, nor the amount involved can be presently ascertained as in all matters investigation is under progress or matter is sub-judice.

NSEL also suspended services of erstwhile MD & CEO and other senior officials of NSEL on August 20, 2013 and terminated services immediately thereafter, as remedial measures.

The availability of commodities sold and purchased by members on the companies exchange platform on March 31, 2013 was not under any doubt since there were no disputes on the availability of stock and all settlement obligations were smoothly completed including the delivery of commodities. The erstwhile NSEL's management had regularly provided details of warehouse receipts assigned to different trades. The Members were satisfied with the same, without any demur, as some of them in fact visited the concerned warehouses to verify the physical stock. NSEL's MD & CEO Mr. Anjani Sinha submitted to the Board of NSEL as well as FMC, the stock position as on July 31,2013 which has reported adequacy of value of stock to cover the trades. Further then NSEL's MD & CEO Mr. Anjani Sinha and other senior official always maintained in various reports that the seller had deposited stocks in the designated warehouses. NSEL understand that the reconciliation of the commodities claimed to have been available by erstwhile NSEL's management team with the other corroborative documents contemporaneously maintained at various levels is possible only after investigations are concluded.

The relevant documents and other records have been seized by investigation agencies and the exact nature of malfeasance and mismatch, if any cannot be ascertained at this stage as mentioned above. Investigating agencies are investigating genuineness of the warehouse receipts issued by the Exchange and impact on financials, if any, can be ascertained after investigations are concluded and orders are obtained from the Court based on factual position and merits. Enforcement Directorate has applied provisions of the Prevention of Money Laundering Act 2002 (PMLA) on defaulting members and exchange and investigation is in progress.

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c. Views on MCrA on legality of trading done on exchange platform in NSEL:

All contracts traded on the exchange platform were proper and in consonance with the applicable laws, bye-laws and rules of the exchange and there were no violations in this regard. NSEL had obtained a legal opinion on the legality of the contracts. In this regard NSEL refers to the affidavit filed by MCrA in writ petition no. 2340/2013, wherein the following points are mentioned:

View of MCrA on Legality of NSEL contracts (Extracts from Affidavit of MCrA in Writ Petition (Lodge) No. 2340 of 2013):

i. Para 28, Page 31 "The NSEL instead of adhering to the conditions of exemption quoted practical difficulties and also contended that the exemption is not confined to any specific section of FCRA, rather it extends to all provisions of FCRA was taken into account. Also the fact which emanated from FMC's communication that the other exchange that is, NCDEX Spot Exchange, which was also granted exemption under section 27 of FCRA was violating the conditions of the exemption order."

ii. Para 29, Page 31 "pending legal advice with respect to withdrawal of exemption granted under section 27 of the FCR Act, the answering respondent on July 12,2013 directed NSEL to give an undertaking"

iii. Para 31, Page 32 "FMC in its detailed response dated July 19, 2013 has stated..... exemption from operation of the provisions of the said Act.... are silent whether the exemption is applicable to all or specific provisions of the Act"

iv. Para-wise Reply 9, Page 54 "this direction was issued in public interest to ensure that all the existing obligation is honoured on due date and the exchange is stopped from entering any fresh contract as to ensure that till a proper decision in the matter is taken, the exchange should not be allowed to invite and promote fresh contracts."

It may be highlighted here that Government while issuing further notifications dated August 06, 2013 and September 19, 2014 did not adjudicate the SCN dated April 27, 2012 by declaring the contracts issued by NSEL illegal.

v. Para-wise Reply 9, Page 57 "it was appropriately thought by the answering respondent that additional conditions be imposed to restore the market sanctity as well as to allay the fears in the minds of the people that NSEL is unregulated."

This proves the point that in the eye of the Ministry of Consumer Affairs, the NSEL was a regulated entity even in August, 2013. The above comments of Ministry of Consumer Affairs confirm that:

i. There were differences in views between NSEL and FMC as to the extent of the exemption notification dated June 05, 2007.

ii. FMC finally confirmed by its letter dated July 19,2013 that the exemption is silent as to whether it is from all or specific provisions of FCRA

iii. NCDEX Spot Exchange was also having contracts with deliveries beyond 11 days.

iv. FMC/MCrA were monitoring / regulating NSEL and other Spot Exchanges.

v. As on July 12, 2013 when directions were issued by MCrA directing NSEL to give an undertaking which lead to closure of exchange operations. MCrA had not even taken legal opinion whether NSEL was in violation. In fact MCrA's view was that after final decision taken, new contracts may be allowed (Pg. 54 of affidavit).

d. Availabilities of commodities

As far as availability of commodity is concerned, it was confirmed by earlier management of NSEL that there were systems and processes in place for deposit of commodities and generation of warehouse receipts and allocation for the same. NSEL believed that existence of commodities in warehouse on the following grounds:

i. The depositing members' declarations offering the commodity as available in warehouse.

ii. Invoices submitted by selling members.

iii. The officials concerned in NSEL at the relevant time satisfying themselves, that there were commodities deposited,

iv. Generation of warehouse receipt's by the concerned officials for assigning to trades.

It has come to the notice later when the matter was investigated by auditors/others namely SGS which was appointed by the NSEL Board that there were instances where the commodities were found missing and there were instances of commodities being available partly or fully. This is now part of the investigations by EOW and other investigation agencies.

The commodities lying in the designated delivery centers relating to transactions carried out by members on exchange platform were not the property of NSEL and hence such inventory of commodities is not getting reflected in the books of accounts of NSEL. Similarly, such inventory was never purchased by NSEL and hence any liability thereto was neither liability of NSEL nor contingent liability of NSEL requiring any disclosure in the accounts or notes to accounts of NSEL.

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e. Notices / Inspections / Audits / Investigations in NSEL:

i. NSEL has been served with notices / letters / summons from various statutory authorities / regulators / government departments and some purported aggrieved parties. NSEL is party to many proceedings filed by / or against NSEL which are pending before different forums. NSEL has always responded and co-operated with the agencies and various forums and replied promptly clarifying its stand all the times.

ii. NSEL has surrendered all Agriculture Produce Market Committee (APMC) licenses in view of the fact that it is not operational.

iii. An inspection of the Company under Section 209A of the Companies Act, 1956 was carried out. Pursuant to such inspection, the Company received certain notices of non-compliances with certain provision of the Companies Act, 1956 from the Ministry of Corporate Affairs. The Company replied to all such notices and had filed applications for compounding of all compoundable violations as per the provisions of the Companies Act, 1956. The proceedings are stalled as SFIO investigation under Section 212(1) of the Companies Act, 1956 is under progress therefore, the amount of penalty cannot be accurately ascertained at this stage. Further, prosecution has been initiated by the Registrar of Companies for non-compoundable offences and the matters are pending before Metropolitan Magistrate, Girgaon Court, Mumbai. The Company has taken suitable steps to avoid such non compliances.

iv. Investigation u/s 212(1) of the Companies Act, 2013 by SFIO: Serious Fraud Investigation Office, Ministry of Corporate Affairs, Govt. of India, Regional Office, Mumbai ("SFIO") has been completed and SFIO office has filed its report to the office of MCA.

Director, FIU-India had issued a Show Cause Notice alleging that NSEL is 'deemed intermediary' and therefore a 'reporting entity' under the Prevention of Money-Laundering Act (PMLA) and hence was required to comply with the provisions of the Act. NSEL had filed its reply however, Director-FIU passed an Order on November 04, 2015, imposing a total penalty of ₹ 1.66 crores on NSEL for not getting registered as a reporting entity and allegedly not furnishing reports and consequently not appointing Principal Officer as prescribed under the PMLA.

NSEL filed an appeal No. FPA-PMLA-1168/DLI/2015 under the PMLA challenging the above Order. The Appellate Tribunal, PMLA at New Delhi vide its Order dated June 27,2017 disposed of the Appeal by modifying the part of the order in relation to the maximum penalty and reduced the penalty from one lac for each failure to ₹ 15,000/- for each failure. NSEL as per interim order dated August 31, 2016 of Appellate Tribunal had deposited an amount of ₹ 25.00 lakhs with the Director, FIU-India. The Tribunal further ordered that after deducting the penalty as per the aforesaid order, remaining amount be refunded to NSEL.

FIU-India has filed Criminal Appeal No. 885 of 2017 in the Hon'ble Delhi High Court challenging the Judgment and Order dated June 27, 2017 passed by the Appellate Tribunal, PMLA, New Delhi and the same is pending for hearing. NSEL also filed Criminal Appeal in the Hon'ble Bombay High Court challenging the judgement dated June 27,2017 passed by the Appellate Tribunal, PMLA, New Delhi and the same is pending for hearing.

v. NSEL received a Summons dated April 04, 2016 from the Superintendent (Anti-evasion) Service Tax-V, Mumbai calling upon NSEL to submit certain documents / records. The Officer of the Commissioner of Service Tax issued demand notice of ₹ 1,322.51 lakhs for contravening the provisions of the Finance Act, 1994 and have made liable for penalty u/s 78A of the Finance Act, 1994. NSEL has filed its reply and the matter is pending hearing.

vi. The property attachment notice received by NSEL from ED: The Enforcement Directorate (ED) had passed two orders dated September 14, 2016 and September 30, 2016 under Sec 5(1) of the PMLA, 2002 pertaining to provisional attachment of properties of the Parent Company. In the absence of equivalent assets of NSEL, the assets worth ₹ 1,401.97 crores of its ultimate the Parent company is attached. The Adjudicating authority by its order dated March 09, 2017 & March 22, 2017 has confirmed the provisional attachment of properties of the Parent Company. NSEL has filed its appeal against the said Order and the matter is sub-judice.

f. Civil Suits / Complaints / Writs / Public Interest Litigations / Other matters

i. Proceeding before NCLT, Chennai: Company Petition No. 1 of 2015 was filed by Union of India against FTIL (presently known as 63 Moons Technologies Limited - 63MTL) & Ors. for taking action under Section 397/398 of the Companies act 1956 against 63MTL, its Board of Directors and its subsidiary company to supersede the Board of Directors of 63MTL with Government Nominee Directors in public interest.

The NCLT, Chennai Tribunal by their Judgment & order dated June 04, 2018 disposed off the Petition filed by UOI and held that the Directors of NSEL during the trading period are not fit & proper persons to hold the Office as Director or any other office connected with the conduct & management of 63MTL and NSEL and also not eligible for appointment as Director in any other company. The Tribunal also order that Government may nominate not more than 3 directors to the board of 63MTL to take care the interest of all stake holders and to protect the interest of the investments of 63MTL in its subsidiaries.

UOI, 63MTL and Directors of 63MTL have filed separate appeals challenging the order dated June 04, 2018 before National Company Appellate Tribunal, New Delhi bearing Appeal Nos. 192, 186, 187, 188, 189 & 190 of 2018 respectively. In the said appeal Appellate Tribunal granted stay to order dated June 04, 2018 and the appeals are sub-judice.

ii. NSEL had received draft order of amalgamation from Government of India, Ministry of Corporate Affairs dated October 21, 2014 for amalgamation of NSEL with its Parent Company, 63 Moons Technologies Limited (63MTL) under Section 396 of the Companies Act, 1956. 63MTL, shareholders of 63MTL and various other interested parties had challenged the said order by filing writ petitions before the High

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Court of Bombay. The Hon'ble Division Bench of the High Court of Bombay by its order dated December 4, 2017 has dismissed the writ petitions of 63MTL and all the other parties. While dismissing the above writ petitions the Hon'ble Court extended the interim protection for 12 weeks from the date of order.

Subsequently, 63MTL and NSEL have challenged the above said order of the Hon'ble High Court of Bombay by filing Special Leave Petition (Civil) No. 4210/2018 and 4816/2018 respectively before the Hon'ble Supreme Court of India. The Hon'ble Supreme Court vide its order dated 30th April 2019 allowed the appeals and set aside the impugned judgement dated December 4, 2017 passed by the Hon'ble High Court of Bombay. While allowing the appeal the Hon'ble Supreme court held that the order dated 12th December 2016 is ultra vires of section 396 of the Companies Act 1956 and violative of Article 14 of the Constitution of India.

g. Steps taken by NSEL post settlement default

i. NSEL is currently in the process of recovery and settlement of dues from the defaulting members.

ii. As far as controls for financial accounting, reporting and preparation of financial statements, the existing controls have been reviewed by the current NSEL management and wherever necessary it has been strengthened. The current NSEL management, for the purpose of ensuring appropriate controls over the financial reporting process and the preparation of the financial statements, have implemented specific procedures.

iii. As per NSEL assessment, necessary disclosures arising from the irregularities in controls have been made in the notes to accounts to the financial statements and other reports. Since matters relating to several of the irregularities are sub-judice and the various investigations are on-going, any further adjustments / disclosures, if required, be made in the financial statements of NSEL as and when the outcome of the above uncertainties is known and the consequential adjustments / disclosures are identified. The EOW is also investigating the role played by other brokers of trading clients in the crisis. EOW remand notes filed against few of these brokers have serious allegations of being involved in the illegalities such as mis-representation of risk free product, luring assured returns, funding the trading clients, mis-selling products, criminal breach of trust of money entrusted with Brokers, forgery of contract notes and cheating the registered clients etc.

iv. Several agencies such as the Economic Offence Wing , Mumbai Police (EOW), Ministry of Corporate Affairs (MCA), Enforcement Directorate (ED), CBI, SFIO etc. are currently investigating / enquiring the extent of alleged irregularities and any breach of law. The matters are also sub-judice before various forums including the Hon'ble High Court of Bombay. NSEL may be exposed to liabilities in case of any adverse outcome of these investigations or any other investigations which may arise at a later date.

v. In respect of FY 2013-14, as reported by members that there are large number of small clients of the Members who had to receive money from the respective defaulting members, NSEL had requested its Parent company to provide for interest bearing bridge loan of ₹ 17,939.81 lakhs without admission of the liability of the NSEL to pay the dues on behalf of defaulters. Accordingly, Parent Company, purely as a goodwill gesture, without admitting any liability and without prejudice, granted interest bearing bridge loan of ₹ 17,939.81 lakhs to the NSEL, repayable to Parent company from future income / accrual / recoveries. Out of such loan, the NSEL had paid, without prejudice, to small clients of the Members in full whose dues were less than or up to ₹ 2.00 lakhs and 50% of the amount to those, whose dues were between ₹ 2.00 lakhs and ₹ 10.00 lakhs. The same was executed under intimation to the FMC and under guidance from the FMC. NSEL has a right to recompense from the proceeds of recovery of the defaulted members. It is stated that such dues were the amounts payable by the buying members (pay-in) to selling members (pay-out) and that since buying members had defaulted in making payments to selling members and in the larger interest of the small clients of the selling members, the NSEL had made such payments to Members and in turn to small clients of such Members, under intimation to the FMC and under guidance from the FMC/Ministry of Consumer Affairs, Government of India.

vi. NSEL has taken various steps to recover monies from the defaulting members / other debtors and following developments have taken place till March 2019.

a) NSEL has obtained decrees on admission against 5 defaulters and has secured an amount of ₹ 1,233.02 crores. NSEL after determination of liability by HCC also obtained Decree against 4 defaulters from the Hon'ble Bombay High Court and has secured an amount of ₹ 862.03 crores. NSEL has initiated the execution proceedings against the judgement debtors, which are pending before respective Courts having territorial jurisdiction NSEL has also obtained an order from the Hon'ble Bombay High Court regarding Conciliation Award for an amount of. 922.00 crores against two defaulters namely Mohan India Pvt. Ltd. and Tavishi Enterprises Pvt. Ltd..

b) Further, NSEL has obtained injunction orders against 16 defaulters securing an amount of ₹ 4,418.82 crores by filing third party notices and notice of motion against 12 defaulter members and recovery suits against 4 defaulter member.

c) The Hon'ble High Court of Bombay had under representative Suit No. 173 of 2014 vide order dated September 02, 2014, formed a committee constituting of three members headed by Mr. Justice V.C. Daga (Retd.) and 2 experts in finance and law, to act as Commissioner and Receiver under the supervision of the Hon'ble High Court to recover and monetize the assets of the Defaulters. NSEL is fully cooperating with HCC in the recovery proceedings. HCC has crystallised the liabilities of thirteen (13) defaulter members approximately amounting to ₹ 2056.85 crores.

d) NSEL has preferred notice of motions in recovery Suit 432 of 2015 filed against N.K. Proteins seeking extension of the Order dated 02 September 2014 under representative Suit No. 173 of 2014 to bring this defaulter member within the purview of HCC. This will expedite the process of crystallization of liability of this defaulter member as well.

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e) Further HCC had called for claims in prescribed form from the trading members / trading clients who have outstanding receivables for the trades executed on the exchange platform. Basis the claims received by HCC, it filed Report No. 1 of 2017 before the High Court of Bombay. The Hon'ble High Court vide its order dated 07 February, 2018 requested HCC to scrutinize the genuineness, correctness and entitlement of the claims and submit its report before the Hon'ble High Court of Bombay.

f) NSEL has filed 38 complaints which are pending against 13 defaulter members in the Metropolitan Magistrate Courts in Mumbai under Section 138 of the Negotiable instruments Act, 1881 for dishonour of their cheques amounting to ₹ 2,979.92 crore. In 18 matters the defaulters have filed criminal revision challenging the issue process order passed by the Metropolitan Magistrate Courts. Other matters are pending before Metropolitan Magistrate Courts.

g) NSEL has also initiated Arbitration proceedings against two defaulter members and other debtors for recovery, the details of which are as under:

Parties	Amount (₹ in crores)	Remarks
1. NSEL Vs. Harley Carmbell India Pvt. Ltd.	6.64	Cross examination of NSEL & Harley witness is conclud-ed.Matter fixed for final arguments.
2. NSEL Vs. Ayush Sales Pvt. Ltd.	25.68	Learned Arbitrator by Award dated 04.07.2018 allowed our en-tire arbitration claim of ₹ 25.68 crores alongwith interest @ 21% from 01-09-2016 till award and future interest @ 12% on principle sum of ₹ 13.89 crores from the date of Award till payment & realization. The Ld. Arbitrator also awarded cost of ₹ 0.12 crores to be paid by Ayush Sales to us. NSEL filed execution petition in District and Session Court, Kol-katta
3. NSEL vs. NAFED	102.85	Arbitration Petition allowed in favour of NSEL. Award was passed for ₹ 89.35 crores with future interest @14% from the date of award till actual payments along with cost. NAFED filed Appeal before the Hon'ble Delhi High Court chal-lenging the Award dated 01.05.2017 and after hearing NAFED and NSEL, same was dismissed on 01.09.2017 confirming the award in favour of NSEL. Further, NAFED had filed appeal against the order dated 01.09.2017 of the Single Judge, Delhi High Court. The Division Bench did not find any merit in the appeal and affirmed the Order dated 01.09.2017 passed by Justice Sanjeev Sachdeva and dismissed the Appeal vide order dated 07.11.2017. NAFED filed SLP(Diary) No. 30799_of 2018 before the Hon'ble Supreme Court of India and the Apex Court by its order dated 17.09.2018 dismissed the SLP, however reduced the future in-terest rate to 12% p.a. from 14% p.a..
4. NSEL Vs. Spin-Cot Tex-tiles Pvt. Ltd.	36.63	Award is passed for ₹ 36.63 crores with interest @18% from 09.08.2013 along with cost NSEL filed execution petition in District and Session Court, Hy-derabad.
5. NSEL Vs. NCS sugars Ltd.	58.85	Award is passed for ₹ 58.85 crores. with interest @18% from 01.08.2013 along with cost
6. NSEL Vs. Lotus Refineries Ltd.	252.48	The Ld. Arbitrator allowed NSEL's Counter Claim by his dated 21.09.2018 for an amount of ₹ 252.48 crores along with 15% interest from 9th August, 2013 till payment / realization along with cost. NSEL filed Execution petition in Bombay High Court

h) Insolvency Resolution proceedings under The Insolvency and Bankruptcy Code, 2016 has been initiated against Namdhari Food International Pvt. Ltd. vide order dated 30.08.2017 passed by National Company Law Tribunal, New Delhi. Interim resolution Professional (IRP) Mr. Anil Katia issued a Public Notice on 31.08.2017 informing that NCLT, New Delhi by its order dated 30.08.2017 has allowed commencement of corporate Insolvency resolution process against Namdhari Food International Pvt. Ltd. Further, IRP called upon the creditors to submit their claims on or before 13.09.2017. Namadhari Food International Pvt. Ltd (defaulter member of NSEL) has a fund pay-in obligation of ₹ 51.02 crores on the exchange platform. Therefore, NSEL has filed its Claim as an Operational Creditor with IRP on 13.09.2017 for an amount of ₹ 51.02 crores. Claim of NSEL is admitted by IRP, Mr. Anil Katia. NSEL is participating in the proceedings as and when called by IRP. IRP Mr Anil Katia submitted an application before the National Company Law Tribunal,

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New Delhi for approval of the resolution plan. NSEL also filed an application objecting to the resolution plan and requested to reject the same. After hearing all the parties , the Tribunal by its order dated March 13,2019 did not approved the Resolution plan submitted by IRP and allowed the objection of NSEL. The Tribunal further order that the Namdhari Food International Ltd. Is required to be liquidated as per terms of Section 33 of Code. The Tribunal further order to replace the present IRP Mr Katia and appointed Mr Rakesh Kumar Gupta s Liquidator and order to submit its Preliminary report within 75 days from the date of commencement of liquidation process. NSEL is in process of filing its claim before the Liquidator

i) EOW has attached assets worth ₹ 6,500.00 crores of the defaulter members under the provisions of the Maharashtra Protection of Interest of Depositors Act, 1999 (MPID Act) and the said properties have been notified in the Government gazettes. Most of the assets attached have been traced by the Recovery Team of the Company. The Competent authority appointed under the MPID Act has filed various application before the MPID Court for making the attachment absolute mentioned in the gazette notifications. The Hon'ble MPID Court has made attachment of few immoveable assets of Mohan Group and Swastik Overseas absolute. Further, properties of Swastik Overseas were auctioned and fetched ₹ 1.73 crore which has been deposited in the account of Competent Authority. The Hon'ble Special MPID Court has passed Order to sell the properties of Mohan India and the auction process of the same is in process. Further, attachment of accounts of Aastha Minmet, Juggernaut Projects, Yathuri Associates, Metkore Alloys, MSR Foods, ARK Imports, Shree Radhey Trading, Swastik Overseas, Mohan India, Tavishi Enterprises, NCS Sugars and Lotus refineries have been made absolute.

j) ED has attached assets of the defaulter members worth ₹ 865.37 crores and proceedings are pending before the authorities appointed under the PMLA Act.

k) CBI has filed two charge sheets in Special CBI Court, Mumbai which are registered as special CBI case no. 62 of 2016 and 34 of 2017 and matter is pending.

l) The Hon'ble Bombay High Court vide its order dated 7th October 2013 in Writ Petition(L)2340 of 2014 ordered that Company (NSEL) "not to dispose off, alienate, encumber, part with possession of or create any third party right, title and/or interest in, to, upon or in respect of any of its assets, except for the payment of its statutory dues, amounts for the preservation, maintenance and protection of their assets and wages and salaries without the written permission of FMC and in the case of immovable properties, without the orders of this Court as well." Further the Hon'ble Court had vide order dated 20th December, 2013 clarified the order dated 7th October, 2013 that NSEL would also be allowed to utilise fund for legal expenses.

During the year in Execution petion filed by NSEL against NAFED in Hon'ble Delhi Court, NSEL received fund of ₹ 6,516.73 lakhs from NAFED against the Arbitral Award. Out of said ₹ 6,516.73 lakhs NSEL had repaid the loan of ₹ 3,143.25 lakhs to FTIL, which was resulted from encashment of Bank Guarantee issued by HDFC Bank in favor of FTIL for NSEL's procurement business with NAFED. Thus, Contempt Petition No. 125 of 2018 in NOM 212 of 2014 in suit No 121 of 2014 has been filed by L. J. Tanna for breach of the orders dated 7.10.2013, 18.12.2013 and 06.10.2015 passed by the Hon'ble High Court.

NOM came for hearing before the Hon'ble High Court on 12.12.2018, when J Dhanuka directed NSEL not to utilize any amount received by NSEL from NAFED or from any other third party without seeking permission of the Court.

Company has filed application to the Hon'ble High Court for relief and has got limited relief for payments of dues.

72 NSEL has created Fixed Deposit from money received from members in Escrow Account. The fund is invested in Bank FDs as per order of Competent Authority / High Court. The interests on such FDs were credited to Escrow Account. The TDS amount deducted by Bank has been claimed by the Company and as and when refund of TDS will be received, it will be transferred to Escrow Account.

73 During the year, NSEL has claimed GST input credit of FY 2017-18 amounting to ₹ 49.05 lakhs said amount has been reduced from respective expenses.

74 NSEL's all Bank Accounts amount to ₹ 1,791.59 lakhs and Mutual fund investments amounting to ₹ 814.06 lakhs have been freezed by EOW and State. NSEL is not able to use the same. NSEL has filed its objection application before the MPID Court, Mumbai De-freezing the same.

75 During the year NSEL received an amount of ₹ 149.00 lakhs from disposal of metal belonging to e-series customers. Proceeds of such sale has been put up in Fixed Deposit through escrow account. Amount payable to e-series customer is disclosed under "Other Financial Liabilities".

76 In case of IBMA, National Savings certificates (NSC) value shown in note no 5 as Non-current investments of ₹ 0.46 lakhs under lien to Rajasthan Vat department. All NSC was for 6 Years which matured in FY 2015-16. Interest accrual upto the date of maturity has been accounted in Books of Accounts. NSC has not been redeemed as original NSC lien to Rajasthan Vat department where department has raised demand which is disputed and is under appeal stage.

77 During the year NSEL has entered in to LOI with Landlord for office premises for 3 years from 1st Jan 2019 at monthly rental of ₹ 17.39 lakhs per month and ₹ 0.75 lakhs per month towards car parking(all plus taxes) and additional refundable security deposit of ₹ 37.02 lakhs However, agreement is yet to be executed between the parties. NSEL has made the provision of rent as per the terms of LOI.

NOTES

forming part of the financial statements for the year ended March 31, 2019

78 NSEL has total MAT credit entitlement of ₹ 221.65 lakhs as at 31st March 2019. Management of NSEL is confident; NSEL will be able to utilized the balance MAT entitlement in future unexpired years.

79 In IBMA, a subsidiary of NSEL,

a) As an ITCM the IBMA had received margin money from its constituent trading members and clients. The outstanding margin amount as on the balance sheet date was ₹ 244.28 lakhs (Previous year ₹ 244.28 lakhs) and is shown under the head "Other Current Liabilities".

b) In case of IBMA, as on 31st July, 2013 ₹ 1,17,009.86 lakhs was the settlement payout receivable by IBMA from NSEL on account of trades executed by its affiliated members and clients that were part of the revised settlement plan. This figure has been arrived at on the basis of information received from NSEL. IBMA has relied on such information. Up to 16th May, 2015, NSEL has completed 65 weekly payouts and has released ₹ 11,036.90 lakhs towards the obligation of IBMA's affiliated members and clients. Payout after 20th November 2013 has been made by NSEL directly to constituent members and clients of IBMA. The amount receivable by affiliated members and clients were not fully received from NSEL as per the revised settlement plan. On the basis of the legal opinion received by IBMA, and as IBMA acted as the member broker, IBMA may not has any liability on net basis towards such unsettled obligation to its members and clients. In view thereof, no provision for the same is made in the books of accounts of the IBMA.

c) An amount of ₹ 3,128.43 lakhs pertaining to VAT on unsettled trades on NSEL exchange platform is outstanding as on balance sheet date. This amount is receivable from the defaulting members on NSEL exchange platform and is in turn payable to the constituent members and clients of the company as part of outstanding settlement obligation.

d) Sahara Q Shop Unique Products Range ltd. was registered as a client with IBMA to trade on NSEL Exchange platform. As per the revised settlement plan IBMA had to receive obligation from NSEL on account of the trades executed by the client. However, SEBI vide letter dated March 11, 2014, had directed NSEL to retain payouts to Sahara group companies and hold the same in a deposit account with any public sector bank until further instructions. Accordingly, payouts up to the balance sheet date, amounting to ₹ 921.48 lakhs pertaining to the client have been deposited into fixed deposits by NSEL and equivalent amount is reduced from the exchange's obligation to IBMA.

   On 10th May 2016, SEBI informed to NSEL vide their letter No SEBI/OW/13565/2016 dated 10th May, 2016 that based on Supreme Court Order requested to. transfer the deposit lying in the name of Sahara company to SEBI in the SEBI Sahara Account. Accordingly money has been transferred on 29th June, 2016.

e) IBMA had entered into an agreement with M/s SNP Design Pvt. Ltd. (hereinafter referred as "SNP") to carry out commodity derivative transactions for and on behalf of SNP for a period of one year on March 01, 2012 duly renewed on March 01,2013. Trades were executed by the Company on behalf of SNP till July 31,2013 and a sum of ₹ 7,747.18 lakhs is due and recoverable from SNP as per the terms and conditions of the agreement. SNP has disputed the entire amount payable to IBMA.

   Board of Directors of IBMA had approved to initiate action to proceed on the matter legally. Accordingly, IBMA has filed a Civil Suit No. 745 of 2015 for recovery on 28th May, 2015 before the Hon'ble High Court of Bombay against (i) SNP Designs Pvt. Ltd. (ii) Mr. Anjani Sinha (iii) Mrs. Shalini Sinha (iv) Mr. Prajwal Kumar Badwe and (v) Mr. Shashank Raj for an amount of ₹ 10,022.29 lakhs. The aforesaid amount includes ₹ 7,747.18 lakhs i.e., the aggregate value of loss caused by SNP to IBMA for various trades executed by IBMA on behalf of SNP along with interest thereon amounting to ₹ 2,275.11 lakhs. As Service of Writ Summons and Notice of Motion could not be done on Defendant Nos. (i), (iv) and (v) as mentioned above. The Court therefore granted permission to serve the documents through publication in two newspapers, one in English and other in local language. Since these Defendants are from Delhi, IBMA published the Writ of Summons and Notice of Motion in Business Standard, English Edition and Business Standard, Hindi Edition on 22nd February, 2017. The matter is not listed after the said publication.

   Additionally, Grant Thornton India LLP had observed vide their forensic report that Mrs. Shalini Sinha, Managing Director and a majority shareholder of SNP is wife of Mr. Anjani Sinha (erstwhile Director of IBMA). Pursuant to such findings by Grant Thornton India LLP and on the basis of information available on the website of Ministry of Corporate Affairs, IBMA has included such transactions carried out with SNP for disclosures required to be made under related party transactions. The related party nature of the transactions was not disclosed by Mr. Anjani Sinha to the board of directors though he was required to disclose the same, for correct disclosure under Indian Accounting Standard 24.

   Further, as per records available with IBMA, the instructions to carry out the trades for and behalf of SNP were given by Mr. Anjani Sinha to the operations team and he was directly and exclusively dealing with SNP. In view of the said discrepancies and irregularities investigations are in progress. Mr. Anjani Sinha had been removed from the board of directors of IBMA on 23rd October 2013 and was arrested on account of a complaint against him in another matter pertaining to NSEL.

   IBMA is represented by Mr. Abhijeet Marathe, Advocate & Solicitor. By last order dated 23rd January 2017 the court has directed the plaintiff to serve the copy of the Writ of Summons & Notice of Motion on Defendant No 1, 4, 5 by substituted service. Service affidavit has been filed proving the service by way o.f paper notice. Affidavit of evidence is to be filed by IBMA. No next date is shown on the website.

f) IBMA had entered into a procurement agreement with Harley Carmbel Pvt. Ltd. (hereinafter referred as "Harley") for buying spices and other commodities in the state of Kerala on 25th November 2011 read with the addendum to the agreement dated 01st December, 2011. As per the terms of agreement, IBMA bought commodities on behalf of Harley as per the terms of agreement however, Harley failed to make full payment of its obligations amounting to ₹ 293.58 lakhs. IBMA had sent legal notice to the party but the party denied owing any amount to IBMA.

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forming part of the financial statements for the year ended March 31, 2019

IBMA filed an Arbitration Application No. 233 of 2016 under Sec 11 of the Arbitration and Conciliation Act, 1996 for appointment of a sole Arbitrator. The Hon'ble High Court of Bombay has vide order dated 01st December, 2016 appointed Mr. Minoo Siodia as the sole Arbitrator. Accordingly IBMA had filed its statement of claim for recovery of for ₹ 304.92 lakhs against Harley with interest @ 21%p.a. from 23.01.2014 till realization. Arbitration proceedings are in progress before the Ld. Arbitrator and Mrugank Basutkar & Law Partners are representing IBMA. Against the Statement of Claim filed by the IBMA, Harley has filed a Counter Claim for ₹ 8.37 lakhs against IBMA. Cross-examination of witness on behalf of IBMA is complete and cross-examination of witnesses on behalf of Harley is concluded.

The next date of hearing of the matters is fixed on 18th and 19th June 2019 for Arguments.

g) M/s Shri Khemisati Exims Pvt. Ltd has filed commercial suit no. 167 of 2016 before the Hon'ble High Court of Bombay against various parties including IBMA (IBMA is Defendant no. 9 in the matter) on 13th August 2016. IBMA has received summons to answer plaint on 30th June, 2017. This suit is to recover an amount of ₹ 380.44 lakhs with interest thereon @ 18% per annum. The matter was listed on 04th September 2017 and written statement dated 04th September 2017 filed by the Company was taken on record. The Company has denied any obligation to pay any amount / compensation to M/s Shri Khemisati Exims Pvt. Ltd. The matter is not listed thereafter. IBMA is represented by Vaish Associates. Written Statement has been filed by the defendants. No next date is shown on the website.

h) Mr. Ketan Shah has filed commercial suit no. 70 of 2017 before the Hon'ble High Court of Bombay against various parties including IBMA (IBMA is Defendant no. 24 in the matter) on 16th August 2016 which was registered on 06th February 2017. IBMA has received summons to answer plaint on 11th July, 2017. This suit is to recover an amount of ₹ 2,267.14 lakhs with interest thereon @ 18% per annum. The matter was listed on 07th September 2017 and written statement dated 04th September 2017 filed by IBMA was taken on record. IBMA has denied any obligation to pay any amount / compensation to Mr. Ketan shah. The matter was last listed on 18th September 2017.

Plaintiff has filed the chamber Summons for amending the Plaint as per the Schedule annexed to the Chamber Summons. IBMA has filed an Affidavit in Reply on 07.01.2019 to the Chamber Summons. No next date is shown on the website.

i) M/s M/S LOIL Continental Foods Ltd & Others have filed Civil Suit No 145 of 2016 in the court of Civil Judge (Senior Division), Khamanon District Fatehpur Sahib, Punjab against Indian Bullion Market Associate Limited, matter is adjourned for filing written statement by IBMA initially on 18th July 2018, subsequently again adjourned to 26th September 2018. The matter further was kept on 4th January 2019.

In this matter IBMA has filed an application under Order 7 Rule 10 & 11. Now the matter is adjourned to 28.05.2019 for filing of the reply by the plaintiff to our Application under O 7 R 10 & 11.

j) In case of IBMA, Stock had been reconciled based on the confirmation received from NSEL in the year 2014-15 and other agency and material discrepancies if any have been properly dealt in the books of account. Closing stock value included cost of ₹ 5.20 lakhs as at 31st March 2018 towards stock disposed during the earlier years through Financial closure conducted by NSEL and the amount of ₹ 6.17 lakhs is receivable from NSEL. Effect of the same has been given in during the year in the books of accounts.

k) IBMA has received letter on 3rd May 2018, from M/s Karvy Comtrade Limited (Karvy) informing that the stock of silver equal to 21 kg out of 21.210 kg has been sold amounting to ₹ 8.05 lakhs on 23rd March ,2018, which been accounted under protest. However, Action on the part of Karvy was unilateral and without our knowledge and/or prior intimation. IBMA have referred the matter to Legal Dept. for appropriate action on Karvy. To that extent our stock has been reduced by 21 Kg and balance stock (i.e. 0.21 kg) has been written off through profit and loss account as at 31st March 2018.

l) M/s Karvy Comtrade Ltd., has informed vide letter dated 30th March, 2017 that interest and penalty debited by MCX on account of shortage of Margin and cross deals by IBMA. The said amount is in turn debited to our account without our knowledge / consent. IBMA have not accounted/ accepted the said debit amount of ₹ 24.64 lakhs. IBMA referred the matter to Legal Dept. for appropriate action on Karvy.

m) In case of IBMA, Special PMLA 21 of 2018 Directorate of Enforcement V/S IBMA and Anr. filed in City civil Sessions court, Mumbai. This complaint has been filed by Directorate of Enforcement U/s 3 and 4 of Prevention of Money Laundering Act, against IBMA and others.

IBMA is represented by Vaish Associates. On 21.12.2018 IBMA has filed its reply to the intervention

Application filed by Pankaj Saraf. The matter was kept on 26.04.2019. On 26.04.2019, after recording the appearance of the Authorised representative of IBMA court was pleased to adjourned the matter to 02.08.2019.

n) In case of IBMA, Competent Authority V/S IBMA (MA 1400 of 2019): - Competent Authority has filed Misc. Application against IBMA praying therein to make attachment absolute of the banks account mentioned in the notification dated 19th October, 2018 issued under the MPID Act.

IBMA is represented by Vaish Associates. IBMA has filed its Vakalatnama and has filed its appearance. Reply has been filed by IBMA. On 24.04.2019 advocate of IBMA has argued on the intervention filed by Pankaj Saraf. Matter is kept on 04.05.2019 for order on intervention.

o) In case of IBMA, Union of India (SFIO) v/s IBMA : SFIO has filed the petition No. CP 465 of 2019 u/s 271(1)(e) read with section 271 (C) of Companies Act 2013 for winding up of the respondent Company IBMA by the provisions of the Companies Act 2013 before NCLT, Mumbai. Further prayer has been made for the appointment of Official Liquidator to take charge of the affairs of IBMA and wound up IBMA by the law.

IBMA is represented by Vaish Associates. On 13.02.2019, petition was heard and admitted. Further it was directed that reply, if any, may be filed within 15 days from the date of order with a copy in advance to the opposite party. On 04.03.2019 IBMA has filed its interim reply to the

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forming part of the financial statements for the year ended March 31, 2019

petition. Matter was kept for hearing on 07.05.2019. As the matter did not get listed on the board, the matter was mentioned and the same is kept on 02.07.2019.

Further IBMA has filed MA 865 of 2019 in CP 465 of 2019 for direction to SFIO to grant the Applicant inspection and provide copies of the documents referred to in Exhibit 'A' including inspection of the electronic version of the email referred. The said MA is pending for hearing.

p) In case of IBMA, MPID Special Case 05 of 2019: EOW has filed the 4th chargesheet in the MPID Court u/s. 3 Maharashtra Protection of Interest of Depositors in Financial Establishment Act 1999 against IBMA & Ors which is numbered as MPID Special Case 05 of 2019. The MPID Court was pleased to take the cognizance and issued process. The matter is adjourned to 26th April 2019 for appearance. IBMA is represented by Vaish Associates. On 26.04.2019, after recording the appearance of the Authorised representative of IBMA court was pleased to adjourned the matter to 02.08.2019.

q) IBMA has put all efforts to recover the trade debts and exhausted all avenues till 31st March 2019. The likelihood of recoverability of such receivables has been impacted due to the abrupt closure of the business, loss of credibility and several other factors. IBMA has made any additional provision in current financial year for doubtful Trade Receivable ₹ 100.17 lakhs and for doubtful other receivable ₹ 1,916.86 lakhs.

r) Sales Tax and Income Tax liabilities / compliances:

I. Where IBMA has acted as an agent for members/clients:

IBMA had obtained sales tax registrations in seventeen states in India. IBMA had acted as an agent for few of selling and buying members on NSEL exchange platform in respective states as "dealer". Such transactions were carried out for principals (member / clients) by IBMA. Some of the state sales tax authorities are in advances stage or have completed assessments of such transactions. In some cases, input tax credits (ITC) on purchases have been denied on account of following reasons:

i. Non- payment of Sales Tax (VAT / CST) by selling party.

ii. Non-filing of sales tax (VAT / CST)returns by selling party.

iii. Non-matching of sales tax amount with the Sales Tax returns filed by selling party.

iv. Lack of confirmation of sales tax payment by selling party etc.

As a fall out of above, demands have been raised against IBMA by several state government sales tax authorities. All such demands are contested at various forums. In all such cases, IBMA has taken steps to ensure that ITC on purchases are not denied and credits are promptly given to IBMA.

In cases where the selling dealer has collected tax, but not deposited to state treasury, IBMA has requested administration to recover from the selling dealer / not to hold IBMA responsible for the same. In cases where confirmation of proof of payment by selling party is concerned, IBMA is using its resources to seek the same and furnish before the authorities.

As per the legal advice received by IBMA, such liabilities, if any, which arises for acting as an agent, primarily pertains to the principal for whom IBMA had acted as an agent. The liability of IBMA quash such demands shall be to the sales tax registering authorities shall be total, if IBMA is held responsible to make such payments, ultimately. In all such cases, at present IBMA has treated such liabilities as contingent liabilities in its books of accounts, pending arriving at final liability on assessment and pending recovery of such amounts from principals.

II. Where IBMA has carried out own trading activities:

In case of denial of input tax credit (ITC) on all transactions where purchases were made by IBMA, on its account, such liabilities on sales tax account is considered as "contingent liabilities" till assessment is completed. In case of demands, which are disputed and where the liability of payment of tax is not on IBMA, the same is disclosed for as contingent liability.

The summary of such demands and their treatment in the books of accounts of the company are as under.

(₹ in lakhs)

Particulars	For trades as an agent for members	For proprietary trades
	Disputed and disclosed as contingent	Disputed and disclosed as contingent
GUJARAT VAT		
FY 10-11	35.68	-
FY 12-13	12.75	-
FY 13-14	7.59	-
FY 12-13	5.86	-
FY 13-14	159.43	-

(₹ in lakhs)

Particulars	For trades as an agent for members	For proprietary trades
ANDHRA PRADESH VAT PENALTY		
FY 12-13	5.00	-
RAJASTHAN VAT		
FY 09-10	-	2.84
FY 11-12	-	309.56
FY 12-13	-	4.65
FY 13-14	-	29.40
FY 14-15		13.49
FY 16-17	-	0.05
RAJASTHAN CST		
FY 12-13	-	6.89
FY 13-14	-	2.16
FY 15-16	-	0.14
PUNJAB VAT		
FY 12-13	2,602.50	-
DELHI CST		
FY 12-13	-	21.06
MAHARASHTRA VAT		
FY 10-11	-	1.57
FY 13-14	767.61	-
HARYANA VAT		
FY 12-13	9.54	-
FY 13-14	5,872.31	-
UTTAR PRADESH VAT		
FY 10-11	9.11	-
FY 11-12	158.66	49.87
FY 12-13	943.33	66.67
TOTAL	**10,589.37**	**508.36**

III. Interest on admitted liability

IBMA had admitted liability of VAT of earlier years in various states against which interest and penalty of ₹ 1,248.49 lakhs on delayed payment of has already been provided in books of accounts till FY 2017-18. NSEL has not provided any interest and penalty during the year on said liability as NSEL expects waiver of interest and penalty under VAT departments' amnesty scheme coming in to effect time to time in various states. However, NSEL has disclosed liability of interest for the current year as Contingent liability.

s) Income tax Appeal and demand status

i. The Income Tax Department had carried out a special audit of IBMA under section 142 (2A) of the Income tax Act 1961 for the period from AY 2008-09 to AY 2011-12. Subsequent to our submissions in reply to the special audit report and hearings the assessing officer has passed an order for AY 2011-12 and made an addition of ₹ 305.25 lakhs resulting in a demand of ₹108.40 lakhs. IBMA being aggrieved and adversely affected by such order has filed an appeal before Commissioner of Income Tax (Appeals), Mumbai. The appeal has been decided on 23.02.2018 in which part relief is received by the IBMA and the matter is pending for giving appeal effect. The IBMA has preferred an appeal before Mumbai Income Tax Appellate Tribunal and expects substantial relief. No provision for any of aforesaid demands have been made in the books of accounts as in the view of management, a sizeable relief should be available to the company at various appellate levels and no any final amount can be accurately determined as payable. The hearing before ITAT is yet to start.

ii. The Income Tax Department had carried out a special audit of IBMA under section 142 (2A) of the Income tax Act 1961 for AY 2012-13. Audit Report of special audit is received by the IBMA on 24.07.2015 and based on the Audit report, assessing officer has completed assessment u/s 143(3) r.w.s 142(2A) of the income tax Act,1961.

Department has issued assessment order for ₹ 1,254.06 lakhs. IBMA being aggrieved and adversely affected by such order and an appeal has been filed before Commissioner of Income Tax (Appeals), Mumbai on 09.10.2015. The appeal has been decided on 23.02.2018 in which part relief is received by the company and the matter is pending for giving appeal effect. IBMA has preferred an appeal before Mumbai Income Tax Appellate Tribunal and expects substantial relief. No provision for any of aforesaid demands have been made in the books of accounts as in the view of management, a sizeable relief should be available to IBMA at various appellate levels and no any final amount can be accurately determined as payable. The hearing before ITAT is yet to start.

iii. The Income tax department issued Notice u/s 147 r.w.s 143(2) along with questionnaire for re-assessment for AY 2010-11. The assessment was completed by reducing returned loss from ₹ 268.01 lakhs to ₹ 243.39 lakhs by disallowing certain expenses such as transaction charges, rent, storage charges etc. The IBMA being aggrieved and adversely by such order, demand an appeal before Commissioner of Income Tax (Appeals), Mumbai was filed on 15.04.2016. The appeal has been decided on 23.02.2018 in which part relief is received by the company and the matter is pending for giving appeal effect. The company has preferred an appeal before Mumbai Income Tax Appellate Tribunal and expects substantial relief. No provision for any of aforesaid demands have been made in the books of accounts as in the view of management, a sizeable relief should be available to the company at various appellate levels and no any final amount can be accurately determined as payable. The hearing before ITAT is yet to start.

iv. Pursuant to the notice issued u/s 142(1) of the Income Tax Act, 1961, for AY 2013-14, the assessment was completed for AY 2013-14 resulting into a demand for ₹ 732.82 lakhs. The IBMA being aggrieved and adversely affected by such order disallowing certain expenses such as transaction charges, rent etc. against which an appeal before Commissioner of Income Tax (Appeals), Mumbai was filed on 15.04.2016 The appeal has been decided on 23.02.2018 in which part relief is received by the IBMA and the matter is pending for giving appeal effect. The IBMA has preferred an appeal before Mumbai Income Tax Appellate Tribunal and expects substantial relief. No provision for any of aforesaid demands have been made in the books of accounts as in the view of management, a sizeable relief should be available to the company at various appellate levels and no any final amount can be accurately determined as payable. The hearing before ITAT is yet to start.

v. Pursuant to the notice issued u/s 142(1) of the Income Tax Act, 1961, for AY 2014-15, the assessment was completed. Resulting into a refund for ₹ 32.28 lakhs. Due to various earlier demands outstanding, the Income Tax Department has not issued any refund IBMA. The assessment was completed by disallowing a sum of ₹ 125.76 lakhs being various expenses claimed by IBMA. IBMA being aggrieved and adversely affected by such order disallowing certain expenses such as transaction charges, rent etc. against which an appeal before Commissioner of Income Tax (Appeals), Mumbai was filed. The appeal has been decided on 23.02.2018 in which part relief is received by the company and the matter is pending for giving appeal effect. IBMA has preferred an appeal before Mumbai Income Tax Appellate Tribunal and expects substantial relief. No provision for any of aforesaid demands have been made in the books of accounts as in the view of management, a sizeable relief should be available to the IBMA at various appellate levels and no any final amount can be accurately determined as payable. No provision for any of aforesaid demands of Income Tax dues have been made in the books of accounts as in the view of management, a sizeable relief should be available to the IBMA at various appellate levels and no any final amount can be accurately determined as payable which can be accurately provided for. The IBMA has formed its opinion on the basis advice received from tax consultants in this regards.

vi. In case of IBMA, during the year, IBMA has received Show cause notices from Assistant Commissioner of Income Tax, for penalty proceedings under section 271(1)(c) of the Income Tax Act 1961 in respect of Assessment year 2010-11 to 2014-15.
IBMA has filed reply on 15.03.2019 stating that appeal has been filed to the Hon'ble ITAT, Mumbai against the order of CIT (A)-17 so until disposal of that appeal by ITAT, penalty proceedings under 271(1)(c) may be kept in abeyance.

80 As per the assessment of the Management of NSEL, necessary disclosures arising from the irregularities as stated above have been made in the financial statements of NSEL & IBMA. Since matters relating to several of the irregularities are sub-judice and the various investigations are ongoing, any further adjustments / disclosures, if required, be made in the financial statements of the NSEL & IBMA as and when the outcome of the above uncertainties is known and the consequential adjustments / disclosures are identified. However following risks are still not fully covered.

i. Risk of un-identified financial irregularities

In view of the specific scope of the forensic audits and the limitations in the forensic audits and investigations, there is an inherent risk that material errors, fraud and other illegal acts may exist that could remain undetected.

ii. Risk of adverse outcome of investigation / enquiry by law enforcement agencies

Several agencies such as the Economic Offence Wing (EOW), Ministry of Corporate Affairs (MCrA), Enforcement Directorate (ED), SFIO (Serious Fraud Investigation Office), CBI and the Income Tax Department etc. are currently investigating / enquiring the extent of alleged irregularities and any breach of law. The matters are also sub-judice before various forums including the Hon'ble Mumbai High Court. NSEL & IBMA may be exposed to liabilities in case of any adverse outcome of these investigations or any other investigations which may arise at a later date.

81 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

Venkat R Chary
Chairman
DIN: 00273036

S. Rajendran
Managing Director & CEO
DIN: 02686150

Hariraj Chouhan
Company Secretary

Devendra Agrawal
Whole-time Director & CFO
DIN - 03579332

Place : Mumbai
Date : May 27, 2019

NOTES:

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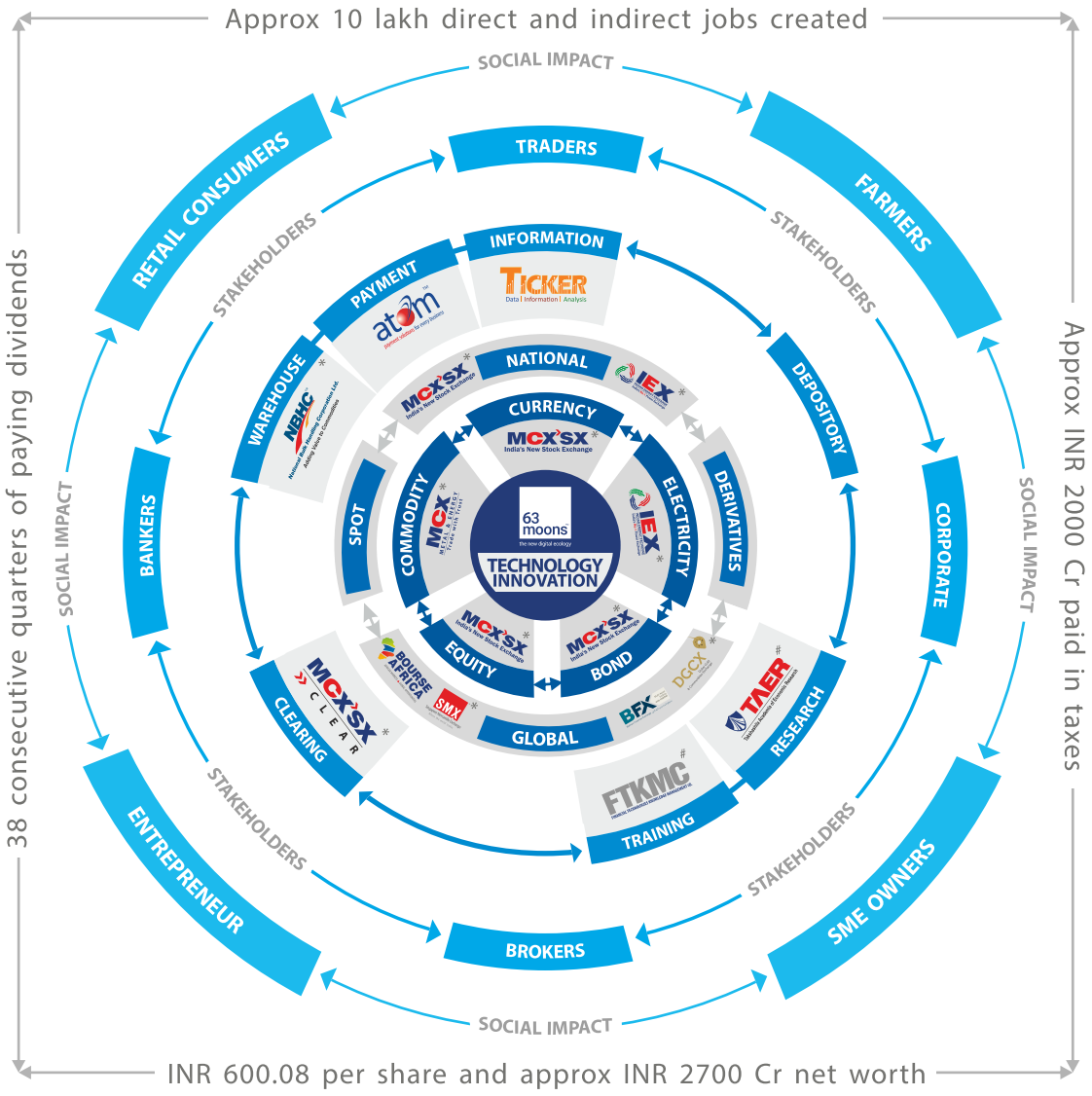
Jignesh Shah created a universe of Exchanges and their Ecosystem that was destroyed by a cabal of vested interests



63 moons technologies limited

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63 moons technologies limited
(Formerly Financial Technologies (India) limited)

Regd. Office: Shakti Tower-1, 7th Floor, Premises-E, 766, Anna Salai, Thousand Lights, Chennai 600 002.
Corp. Office: FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai - 400 093.
Tel: +91-22-6686 8010 | Fax: +91-22-6725 0257 | E-mail: info@63moons.com | Website: www.63moons.com
CIN: L29142TN1988PLC015586

NOTICE

NOTICE is hereby given that the Thirty First Annual General Meeting ("AGM") of the Members of 63 moons technologies limited ("the Company") will be held on Wednesday, September 18, 2019 at 11:00 a.m. at Sri Chandrasekarendra Saraswathi Mahaswami Auditorium, Vani Mahal, 103, G.N. Road, T. Nagar, Chennai - 600017 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
   a) the audited standalone financial statements of the Company for the financial year ended March 31, 2019 and the Reports of the Board of Directors and Auditors thereon; and
   b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2019 and the Report of the Auditors thereon.

2. To declare Dividend on equity shares for the financial year 2018-19, subject to appropriate judicial orders.

3. To appoint a Director in place of Mr. Sunil Shah (DIN: 02569359), who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint a Director in place of Mr. Kanekal Chandrasekhar (DIN: 06861358), who retires by rotation and being eligible, offers himself for re-appointment.

5. To appoint Auditors and fix their remuneration and in this regard, to consider and if thought fit, pass the following resolution as an **Ordinary Resolution;**

   "**RESOLVED THAT** pursuant to the provisions of sections 139-142 of the Companies Act, 2013 ("the Act") and other applicable provisions, if any, of the Act read with the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. Sharp & Tannan Associates, Chartered Accountants (Firm Registration No. 109983W) be and are hereby re-appointed as Statutory Auditors of the Company for a period of five years (i.e. from the conclusion of this AGM until the conclusion of thirty sixth AGM), at an annual remuneration and re-imbursement of out-of-pocket expenses, if any, as may be mutually agreed to, between the Board of Directors and M/s. Sharp & Tannan Associates, during the course of their five years tenure."

SPECIAL BUSINESS:

6. To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 160 read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable provisions of the Companies Act, 2013("Act") (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time, Mr. Venkat Chary (IAS, Retd.) (DIN: 00273036) who was appointed as an Independent Director at the Twenty-sixth Annual General Meeting of the Company and who holds office upto September 22, 2019, and who is eligible for re-appointment and meets the criteria for independence as provided in Section 149(6) of the Act alongwith the rules framed thereunder and Regulation 16(1) (b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160 (1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of two years commencing with effect from September 23, 2019.

   RESOLVED FURTHER THAT pursuant to Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and applicable provisions of Companies Act, 2013 read with relevant rules framed thereunder, consent of the Members be and is hereby accorded for the appointment of Mr. Venkat Chary who has attained the age of 75 years, for a second term, as Independent Director.

   RESOLVED FURTHER THAT the Board of Directors of the Company (or any committee thereof) be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution."

7. To consider and, if thought fit, to pass the following resolution as a **Special Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 160 read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable provisions of the Companies Act, 2013 ("Act") (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time, Justice Rajan J. Kochar (Retd.) (DIN: 06710558) who was appointed as an Independent Director at the Twenty-sixth Annual General Meeting of the Company and who holds office upto September 22, 2019, and who is eligible for re-appointment and meets the criteria for independence as provided in Section 149(6) of the Act alongwith the rules framed thereunder and Regulation 16(1) (b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of two years commencing with effect from September 23, 2019.

   RESOLVED FURTHER THAT pursuant to Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and applicable provisions of Companies Act, 2013 read with relevant rules framed thereunder, consent of the Members be and is hereby accorded for the appointment of Justice Rajan J. Kochar (Retd.) who has attained the age of 75 years, for a second term, as Independent Director.

   RESOLVED FURTHER THAT the Board of Directors of the Company (or any committee thereof) be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution."

8. To consider and, if thought fit, to pass the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 160 read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable provisions of the Companies Act, 2013 ("Act") (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time, Mr. Achudanarayanan Nagarajan (IAS, Retd.) (DIN: 02107169) who was appointed as an Independent Director at the Twenty-sixth Annual General Meeting of the Company and who holds office upto September 22, 2019, and who is eligible for re-appointment and meets the criteria for independence as provided in Section 149(6) of the Act alongwith the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of two years commencing with effect from September 23, 2019.

RESOLVED FURTHER THAT the Board of Directors of the Company (or any committee thereof) be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution."

9. To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of the Regulation 31A and other relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations"), as amended from time to time, and other applicable laws, if any, and subject to the approval of Stock Exchanges where the equity shares of the Company are listed and any other appropriate statutory authorities, as may be required, the approval of the members be and is hereby accorded for re-classification of the shareholding status of the following individuals forming part of Promoter Group, as detailed in the explanatory statement forming part of this notice, from the "Promoter & Promoter Group" category to "Public" category.

Sr. No.	Name of Individuals forming part of Promoter & Promoter group seeking re-classification
1	Mrs. Rupal J. Shah
2	Mr. Manish P. Shah
3	Mrs. Pushpa P. Shah
4	Mr. Prakash B. Shah
5	Ms. Nakshi M. Shah
6	Mrs. Bina M. Shah & Mr. Manish P. Shah (Joint)
7	Mr. Mandar Neralla

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any Director or any other Officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this Resolution including submitting necessary application and filling of necessary forms and returns with the Ministry of Corporate Affairs, Stock Exchanges and other concerned authorities and to take such steps as may be necessary, proper, expedient or desirable to give effect to this resolution.

RESOLVED FURTHER THAT subsequent to the approval of the Stock Exchanges for the said re-classification, the Company shall effect such re-classification in the statement of Shareholding pattern of the Company as per Regulation 31 of the Listing Regulations and in compliance with other applicable rules / regulations / guidelines etc, if any."

By Order of the Board of Directors

Place : Mumbai
Date : August 09, 2019

Hariraj Chouhan
Sr. Vice President & Company Secretary

NOTES:

1. The relative Explanatory Statement pursuant to Regulation 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item No. 5 to 9 of the Notice, and forming part of this notice, is annexed hereto.

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. A person appointed as proxy, shall act as a proxy for not more than 50 members and holding in aggregate not more than 10% of the total paid up share capital of the Company. A member holding more than 10% of the paid up share capital of the Company may appoint a single person as proxy and such person appointed cannot act as proxy for any other member.**

3. Instrument of proxy (as enclosed), 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. Proxies submitted on behalf of corporate members etc. must be supported by appropriate resolutions / authority, as applicable.

4. Members / Proxies are requested to bring to the meeting, the attendance slip enclosed herewith, duly filled in and deposit the same at the entrance of the meeting hall. The holder of proxy shall prove its identity at the time of attending the Meeting.

5. The relevant details about the Director seeking appointment, re-appointment as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Secretarial Standards on General Meetings are annexed herewith.

6. All relevant documents referred to in the accompanying Notice and statutory registers are open for inspection by the members at the Registered Office of the Company and copies of the same are open for inspection at the Corporate Office on all working days (except Saturdays, Sundays and public holidays) from 11:00 A.M. to 1:00 P.M. upto the date of the meeting. The requisite documents shall also be available for inspection by members at the Meeting.

7. M/s. Sharp & Tannan Associates, Chartered Accountants (Firm Registration No. 109983W), were appointed as Statutory Auditors of the Company for a term of five years at the 26th AGM held on September 23, 2014. As per the provisions of section 139 of the Companies Act, 2013 the firm of Statutory Auditors can be re-appointed for a further period of five years. Since their term of appointment is expiring at the conclusion of this AGM, a resolution proposing re-appointment of M/s. Sharp & Tannan Associates, as Statutory Auditors of the Company for a further term of five years (i.e. from the conclusion of this AGM until the conclusion of thirty sixth AGM) forms part of this Notice.

8. The Register of Members and Share Transfer Books of the Company will remain closed **from September 12, 2019 to September 18, 2019** (both days inclusive) in terms of the provisions of Section 91 of the Companies Act, 2013.

9. The payment of dividend for the financial year 2018-19, as recommended by the Board of Directors, shall be subject to the approval by the members at the AGM and appropriate judicial orders. The 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 September 11, 2019. 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 September 11, 2019.

10. The Company has during the year transferred unpaid / unclaimed final dividend (FY 2010-11), and three interim dividends (FY 2011-12) to Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 27, 2018 (date of last Annual General Meeting) on the website of the Company i.e. www.63moons.com under Investors section.

11. The Ministry of Corporate Affairs has notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of the Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. The IEPF rules mandate the Companies to transfer the shares of members whose dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF authority. In accordance with the aforesaid IEPF Rules, the Company has during the FY 2018-19 sent notices to all the members whose shares were due to be transferred to the IEPF Authority and has also published newspaper advertisement for the same. The Company has accordingly transferred all unclaimed shares to the demat account of the IEPF Authority in accordance with the IEPF Rules.

12. Those Members who have so far not encashed their dividend warrants from the financial year 2012-13 onwards, may approach the Registrar and Share Transfer Agent, M/s. Karvy Fintech Private Limited at the address mentioned elsewhere in the Annual Report 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, as and when due. Members whose dividend / shares get transferred to IEPF can now claim the same from the IEPF authority by following the refund procedure as detailed on the website of IEPF authority. Member's attention is particularly drawn to the "Corporate Governance" section of the Annual Report for detailed dividend history and due dates for transfer to IEPF.

13. The Company is pleased to provide remote e-voting facility to its members in terms of Section 108 of the Companies Act 2013 read with Companies (Management and Administration) Rules 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This facility is provided to the members to enable them to cast their votes electronically in respect of the businesses to be transacted at this Annual General Meeting through systems provided by Company's Registrar & Share Transfer Agent M/s Karvy Fintech Private Limited (Karvy). The Board of Directors has appointed Mr. B. Narasimhan (FCS No. 1303), Proprietor, M/s. BN & Associates, Company Secretaries, Mumbai and failing him, Mr. Venkataraman K. (ACS No. 8897), Practicing Company Secretary, Mumbai as the Scrutinizer to scrutinize the voting through remote e-voting and voting process at the AGM in a fair and transparent manner.

    The e-voting facility will be available during the following voting period:

Commencement of e-voting	:	From September 13, 2019 (09:00 am onwards)
End of e-voting	:	Till September 17, 2019 (upto 05:00 pm)

    The cut-off date for the purpose of e-voting is September 11, 2019.

    The remote e-voting module shall be disabled by Karvy for voting at 5:00 pm on September 17, 2019. Once a vote on a resolution is cast by the member, member shall not be allowed to change it subsequently. E-voting shall not be allowed beyond the abovementioned date and time.

    Any person who acquires shares of the Company and becomes member of the Company after the dispatch of the Notice of AGM and holding shares as on the cut-off date i.e. September 11, 2019, may obtain the user ID and password by sending an email request to Karvy at evoting@karvy.com. Members can also contact Karvy at 1800 345 4001 (toll free). If you are already registered with Karvy for e-voting, then you can use your existing user ID and password / PIN for casting your vote.

14. Pursuant to the Companies (Management and Administration) Rules, 2014 with respect to the provision relating to voting through electronic means, the Company is also offering the facility for voting by way of physical ballot at the venue of AGM. The members attending the meeting should note that those who are entitled to vote but have not exercised their right to vote by e-voting, may vote at the AGM through ballot for all businesses specified in the accompanying Notice and that there will not be any voting by show of hands. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names shall be entitled to vote. The Members who have exercised their right to vote by e-voting may attend the AGM but shall not be entitled to vote at the AGM through ballot. The voting rights of the members shall be in proportion to their shares in the paid-up equity share capital of the Company as on cut-off date i.e. September 11, 2019. A person who is not a member as on the cut-off date should treat this notice as for information purposes only.

15. The Login ID and password for e-voting along with the process, manner and instructions for e-voting along with the physical copy of the Notice of the AGM is being sent to the members, who have not registered their e-mail IDs with the Registrar and Share Transfer Agent of the Company / Depository Participants. Those members who have registered their e-mail IDs with the Registrar and Share Transfer Agent / their respective Depository Participants are being forwarded the Login ID and password for e-voting along with the process, manner and instructions via e-mail.

16. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank mandate, power of attorney, change / updation of postal address, e-mail address, consolidation of holdings, change in residential status (from NRI to resident Indian or vice-versa) etc., to their respective Depository Participants. Changes intimated to the Depository Participants will be automatically reflected in the Company's records enabling the Company and RTA to provide efficient services. Members holding shares in physical form are also requested to intimate such changes to the Registrar & Share Transfer Agent under the signatures of first / joint holder(s).

17. Pursuant to the provisions of Section 72 of the Companies Act 2013 read with applicable rules, the facility for making nomination is available for members in respect of shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members holding shares in physical form may submit the same to Registrar and Share Transfer Agent. Members holding shares in electronic form may submit the same to their respective Depository Participant.

18. Corporate Members are requested to send a duly certified copy of the Board Resolution or Power of Attorney together with specimen signatures of those representative(s) authorised to attend and vote at the Annual General Meeting.

19. Members seeking any further information relating to Accounts should write to the CFO of the Company at the Corporate Office at FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai - 400 093, or send an e-mail at info@63moons.com at least seven days prior to the AGM.

20. Members are requested to bring their copies of Annual Report to 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.

21. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in dematerialized mode are requested to submit their PAN details to their Depository Participant, with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Company's Registrar and Share Transfer Agent.

22. SEBI vide circular dated April 20, 2018 has mandated registration of PAN and bank account details for all securities holders. Pursuant to the same, the Company has vide three letters sent during the months of July, August and September 2018 to shareholders holding shares in physical form, requesting them to furnish their PAN and bank account details to Company's Registrar and Share Transfer Agent by sending a duly signed letter alongwith self-attested copy of PAN card and original cancelled cheque. If the original cancelled cheque does not bear the name of the shareholder, copy of bank passbook / statement attested by the bank should be submitted. Those shareholders who are yet to respond to the Company's request in this regard are once again requested to submit the documents at the earliest. Similarly, shareholders holding shares in demat form are requested to submit the aforesaid information to their respective depository.

23. SEBI on June 08, 2018 notified SEBI (Listing Obligations & Disclosure Requirements) (Fourth Amendment) Regulations, 2018 which states that securities of listed companies can be transferred only in dematerialised form except in case of transmission or transposition. In view of the above, Members are requested to dematerialise the shares held by them in physical form. The Company has also vide its letters (as mentioned above) sent to all the shareholders holding shares in physical form, requested them to dematerialise their shareholding.

24. Electronic copy of the Annual Report along with the Notice is being sent to all the members whose email IDs are registered with the Registrar and Share Transfer Agent / Depository Participant(s) for communication purposes unless

any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Annual Report are being sent in the permitted mode. As per Green Initiative in Corporate Governance initiated by the Ministry of Corporate Affairs, members are requested to register their e-mail address with the Company's Registrar and Share Transfer Agent, M/s. Karvy Fintech Private Limited to receive the Annual Report and other Communication(s) from the Company in electronic mode. The Notice of the Annual General Meeting along with the Annual Report is also available on the website of the Company i.e. www.63moons.com and the website of Karvy i.e. https://evoting.karvy.com.

25. Voting results of the above resolutions shall be declared within the stipulated time limit and such results along with Scrutinizer's report, will be uploaded on the website of the Company i.e. www.63moons.com and on the website of Karvy i.e. https://evoting.karvy.com and shall also be displayed on the Notice Board of the Company at its Registered Office and Corporate Office. The results shall also be simultaneously communicated to BSE Limited and the National Stock Exchange of India Limited. The resolutions shall be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the resolutions.

26. Members are requested to update their email address with their Depository Participants to enable the Company to send future communications electronically.

27. The route map showing directions to reach the venue of the 31st AGM is given at the end of this notice.

By Order of the Board of Directors

Place : Mumbai
Date : August 09, 2019

Hariraj Chouhan
Sr. Vice President & Company Secretary

EXPLANATORY STATEMENT PURSUANT TO REGULATION 36(5) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 5:

M/s. Sharp & Tannan Associates, Chartered Accountants (Firm Registration No. 109983W) were appointed as Statutory Auditors of the Company by the Members at the Twenty Sixth AGM for a period of five years i.e. from the conclusion of Twenty Sixth AGM upto the conclusion of Thirty First AGM.

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee ('the Committee'), have considered and recommended for the approval of the Members, the re-appointment of M/s. Sharp & Tannan Associates, Chartered Accountants as the Statutory Auditors of the Company for term of five years i.e. from the conclusion of this AGM upto the conclusion of the Thirty Sixth AGM. M/s. Sharp & Tannan Associates, Chartered Accountants have provided their consent and have confirmed that their appointment, if made, would be in accordance with the conditions prescribed under Sections 139 and 141 of the Companies Act 2013 read with Companies (Audit & Auditors) Rules, 2014. On the recommendation of the Committee, the Board in mutual agreement with M/s. Sharp & Tannan Associates, recommended for the approval of the Members, proposed remuneration of ₹ 80 lakhs plus applicable GST and re-imbursement of out of pocket expenses for the FY 2019-20.

M/s. Sharp & Tannan Associates, founded in 1976 is part of Sharp & Tannan Group which was founded way back in 1932. The group operates with a strong team of 20 partners / partner equivalents and over 400 employees.

Before recommending the appointment of M/s. Sharp & Tannan Associates for a second term of five years, the Committee considered various parameters like audit planning, proactive and robust audit approach, quality assurance process, audit experience and market standing of the firm, clientele served, technical knowledge etc., and found M/s. Sharp & Tannan Associates to be best suited to handle the audit of the financial statements of the Company. The terms of appointment cover statutory audit of standalone and consolidated financial statements of the Company in accordance with the Companies Act, 2013 including limited review in accordance with SEBI Listing regulations 2015, taxation matters and other certification requirements etc. for the FY 2019-20.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

The Board recommends the Resolution no. 5 as an Ordinary Resolution for your approval.

Item No. 6 to 8:

The Members of the Company at the AGM held on September 23, 2014 approved the appointment of Mr. Venkat Chary (IAS, Retd.) (DIN: 00273036), Justice Rajan J. Kochar (Retd.) (DIN: 06710558) and Mr. Achudanarayanan Nagarajan (IAS, Retd.) (DIN: 02107169) as Independent Directors of the Company for a period of five years with effect from September 23, 2014. Mr. Chary, Mr. Kochar and Mr. Nagarajan would be completing their respective terms on September 22, 2019.

The Board of Directors of the Company ('the Board') at their meeting held on August 09, 2019, on the recommendation of the Nomination & Remuneration Committee ('the Committee'), recommended for the approval of the Members, the re-appointment of Mr. Chary, Mr. Kochar and Mr. Nagarajan as Independent Directors of the Company for a second term of two years commencing from September 23, 2019, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act') and applicable rules framed thereunder, and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015'), as set out in the Resolutions relating to their respective re-appointment.

Mr. Venkat Chary carries immense and diversified experience in his long drawn career as an IAS (Indian Administrative Service) Officer. Mr. Chary is associated with the Company since 2013 and as Chairman of the Board since then has been the guiding pillar of strength. His rich and diverse experience are important elements in the discussion and business decisions taken by the Board and his continuance as a Director would be of immense benefit to the Company.

Justice Kochar, is a former Judge of the Bombay High Court. With an immaculate and impeccable track record of transparency and a bright judicial career of over three decades in the legal fraternity, Justice Kochar has made his mark in the judicial system. He has been associated with the Company since 2013 and has increased the Board strength by contributing immensely in many legal processes of the Company.

Mr. Nagarajan, a retired IAS officer, also carries along vast and diversified experience in various spheres of administrative services. During his long serving tenure as IAS officer he held various posts / profiles with the Government of Tamil Nadu. Mr. Nagarajan is also associated with the Company since 2013 and has contributed immensely in the decision making of the Board.

The Nomination & Remuneration Committee at its meeting held on August 9, 2019 on the basis of performance of Independent Directors and taking into account the knowledge, experience and significant contribution made by each of above Independent Director, has recommended to the Board that the continued association of the above three Independent Directors for two years would benefit the Company.

Based on above, the Board is of the view that, given the knowledge, experience and performance of the above three Directors, their contribution to Board processes, their continued association would benefit the Company. Further, being independent of management, the Company has received a declaration from them, affirming that they meet the criteria of Independence as prescribed under section 149 read with schedule IV of the Companies Act 2013 and Listing Regulations. In the opinion of the Board, all the Independent Directors fulfil the conditions specified in the Act and SEBI Listing Regulations for appointment as an Independent Director.

Consent of the Members by way of Special Resolution is required for re-appointment of said Directors in terms of Section 149 of the Act. Further, pursuant to Regulation 17 of the Listing Regulations 2015, consent of the Members by way of Special Resolution is also required for continuation of Mr. Chary and Mr. Kochar as Non-Executive Directors since they have attained the age of 75 years.

Requisite Notices under Section 160 of the Act proposing the re-appointment of Mr. Chary, Mr. Kochar and Mr. Nagarajan have been received by the Company, and respective consents have been filed by them pursuant to Section 152 of the Act. Additional information in respect of Mr. Chary, Mr. Kochar and Mr. Nagarajan pursuant to the Listing Regulations and the Secretarial Standard on General Meetings, is covered below. Information on performance evaluation of Independent Directors is appearing under Directors Report & Corporate Governance Section of Annual Report.

None of the above three Directors hold any shares in the Company. Except the above three Directors, none of the other Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item no. 6 to 8 above.

The Board recommends the Resolution nos. 6 to 8 as Special Resolutions for your approval.

Item No. 9:

Regulation 31A of the Listing Regulations empowers the Stock Exchange(s) to allow re-classification of the existing status of individuals or entities from "Promoter & Promoter group" category to "Public" Category, subject to fulfilment of the conditions stipulated therein. The Company has received request letters from the following individuals falling under the category of "Promoter & Promoter Group" of the Company requesting the Company for reclassification of their Shareholding from the category of "Promoter & Promoter Group" to "Public" category:

Sr. No.	Name of Individuals forming part of Promoter & Promoter group seeking re-classification	No. of equity shares held (Face value ₹ 2/- each)	Percentage of shareholding
1	Mrs. Rupal J. Shah	18,49,560	4.01%
2	Mr. Manish P. Shah	71,538	0.16%
3	Mrs. Pushpa P. Shah	60,543	0.13%
4	Mr. Prakash B. Shah	37,351	0.08%
5	Ms. Nakshi M. Shah	1,036	0.002%
6	Mrs. Bina M. Shah & Mr. Manish P. Shah (Joint)	498	0.001%
7	Mr. Mandar Neralla	1,364	0.003%

The Board of Directors of the Company at their meeting held on May 27, 2019 have subject to the approval of the Members of the Company and the Stock Exchanges where the shares of the Company are listed, accorded their approval to the said re-classification requests received from the above persons of Promoter Group from "Promoter & Promoter Group" category to "Public" category. The Company has intimated the Stock Exchanges (BSE & NSE) on May 27, 2019 of the above requests for re-classification. The above individuals have also given confirmation that ;

i) they do hold more than ten percent of the total voting rights in the Company.

ii) they do not exercise control over the affairs of the Company directly or indirectly.

iii) they have no special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements.

iv) they are not represented on the Board of Directors (including not having a nominee director) of the Company.

v) they do not act as Key Managerial Person in the Company.

vi) they are not 'wilful defaulter' as per the Reserve Bank of India Guidelines.

vii) they are not fugitive economic offender.

The above individuals have further undertaken to abide by the conditions listed in Regulation 31A of the Listing Regulations post such re-classification being approved by the Members of the Company and the Stock Exchanges. Post approval by Members, the Company shall make application to the Stock Exchanges for its approval in terms of procedure prescribed under SEBI Regulations.

Pursuant to Regulation 31A of the Listing Regulations, the request for re-classification shall be approved in the AGM by an Ordinary Resolution in which the promoter(s) seeking re-classification and persons related to the promoter(s) seeking re-classification shall not vote to approve such re-classification request.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no. 9 above.

The Board recommends the Resolution no. 9 as an Ordinary Resolution for your approval.

By Order of the Board of Directors

Place : Mumbai
Date : August 09, 2019

Hariraj Chouhan
Sr. Vice President & Company Secretary

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

(Pursuant to Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings)

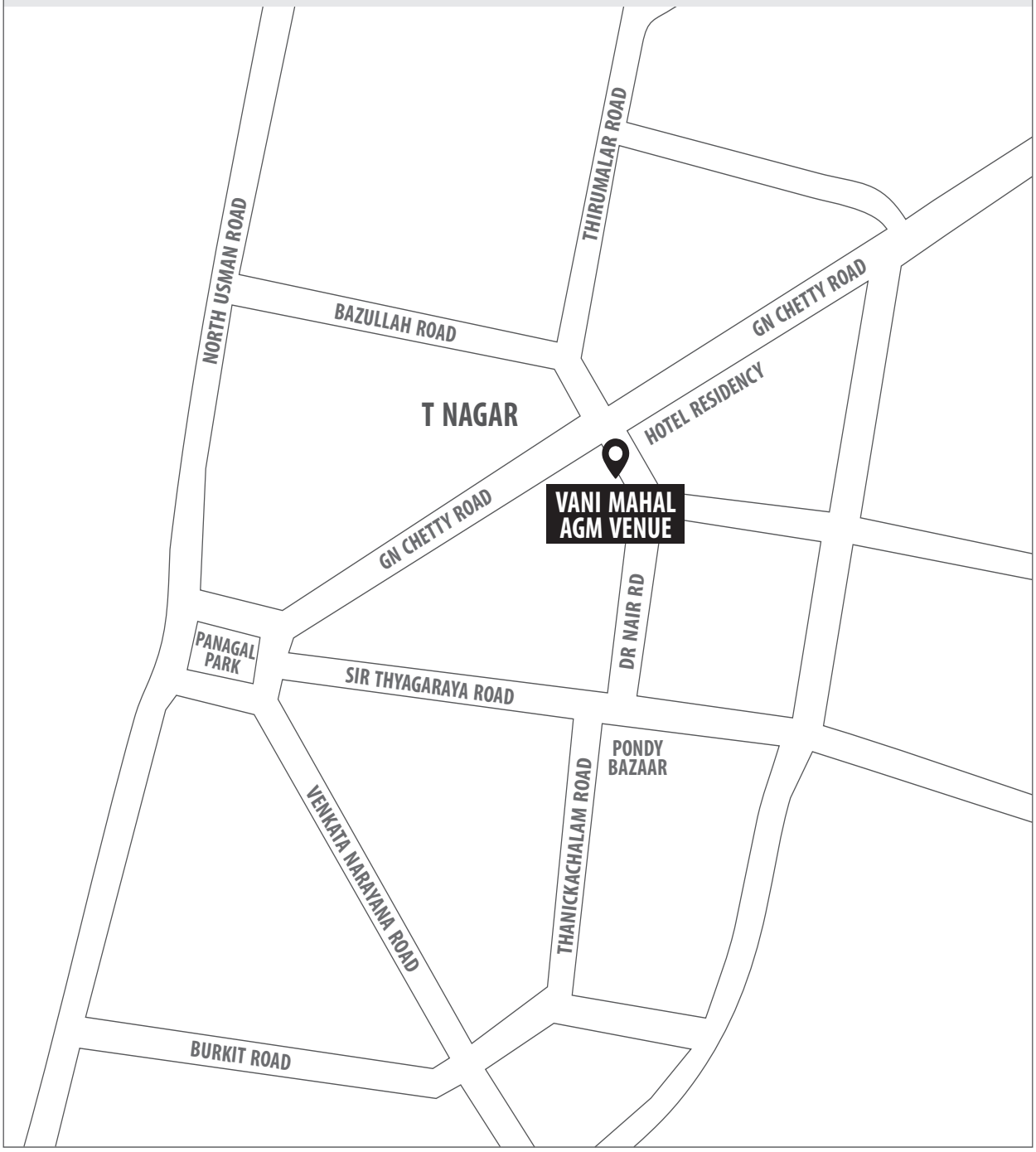
Name of the Director	Mr. Sunil Shah	Mr. K. Chandrasekhar	Mr. Venkat Chary	Justice Rajan Kochar (Retd.)	Mr. Achudanarayanan Nagarajan
DIN	02569359	06861358	00273036	06710558	02107169
Age	59 years	62 years	79 years	77 years	71 years
Date of Birth	January 26, 1960	August 18, 1956	April 14, 1940	October 21, 1941	July 17, 1948
Date of Appointment on the Board	November 20, 2014	September 27, 2017	October 10, 2013	October 10, 2013	October 25, 2013
Qualifications	B.B.A SME Programme, IIM Ahmedabad	B.Sc., CAIIB, Mgmt. Education Program at STC Bengaluru, Insolvency Professional.	B. Com. (Hons.) M. Com. (Cost Accountancy), LL.B., Diploma in Economics and Finance at Ecole National d'Administration, IAS (Retd.)	B. Com., LL.M., (Retd. Judge of Bombay High Court)	B.Sc., MBA, Post Graduate Diploma in Developement Studies from University of Bath, B.L., Post Graduate Diploma (Intellectual Property Laws), M. Phil, M.L. (Intellectual Property Laws), IAS (Retd.).
Experience / Expertise in specific functional area	Mr. Sunil Shah is the Managing Director of Motivation Engineers and Infrastructure Pvt. Ltd. He serves as Chairman of Vibrant Motivation and Development Foundation (a Section 8 company). Mr. Shah serves as Advisor to various Educational Institutions. He is also a Founder Chairman, All Gujarat Innovation Society, Mentor at Power of Idea IIM Ahmedabad and Times of India initiative since inception. Guest Speaker at Management Institution, Association and at various events both at National and International level. He was Vice President at Ahmedabad Management Association. He is currently Member Board of Management, Dr. Baba Saheb	Mr. Kanekal Chandrasekhar is an accomplished and multifaceted professional with demonstrated capabilities in corporate planning and driving marketing strategy, revenue maximization, resource management and financial / administrative control in competitive environment within the banking sector, with good knowledge and practical exposure in credit, treasury, foreign exchange, agriculture and general administration. He was associated with Union Bank of India for over 34 years and has held various positions including Chief Manager, General Manager and Field General Manager among others. He had also held directorships in	Mr. Venkat Chary has extensive experience in Administration and Management, legal and finance. As an IAS officer, he worked with the Maharashtra State Electricity Board as a Secretary. Mr. Chary with his dedication and excellence soon became the Secretary to the Chief Minister of Maharashtra. He also held the post of a Finance Secretary, where he assisted five Finance Ministers to finalise five Annual and Interim Budgets. He was also the Planning Secretary, Home Secretary and officiating Chief Secretary of Government of Maharashtra, in Mumbai. He was also the Chairman of the Forward Markets Commission.	Justice R. J. Kochar, a former Judge of the Bombay High Court, carries an immaculate and impeccable track record of transparency and a bright judicial career of over three decades in the legal fraternity, Justice Kochar has made his mark in the judicial system. He is a founder Member of the reputed Labour Law Journal Viz. Current Labour Reports, Bombay. Justice Kochar has delivered a number of reported Judgments on several issues – Civil and Industrial. He has written number of articles and contributed to several Law Journals including the AIR, Current Labour Reports, and Indian Factories Labour Reports as well as contributed to reputed	Mr. A. Nagarajan, I.A.S. (Retd.) is a former Special Chief Secretary and Development Commissioner to the Government of Tamilnadu. During his career span Mr. Nagarajan was associated with various institutions Government bodies / Corporations inter-alia Housing & Urban Development Dept., Tamilnadu Powerfin Development Corporation Ltd., Tamilnadu Industrial Investment Corporation Ltd. He was also former Special Commissioner of Treasuries and Accounts, Member Secretary of State Planning Commission, Additional Secretary, Industries - Government. of Tamilnadu, Commissioner - Regional Provident Fund, Chennai, Executive

Name of the Director	Mr. Sunil Shah	Mr. K. Chandrasekhar	Mr. Venkat Chary	Justice Rajan Kochar (Retd.)	Mr. Achudanarayanan Nagarajan
	Ambedkar open University and Member of State Innovation Council. He is a IIMA Alumni.	companies such as CIBIL, NABARD and Ace Derivative and Commodity Exchange Ltd.	Mr. Chary has also been Chairman, Vice-Chairman, MD and CEO, and Government director of as many as 15 Central and State Government public sector companies. Mr. Chary is a Governor's nominee on the Indian Red Cross Society (Maharashtra Chapter), is Member of the Advisory Board of 'One India One People Foundation' (the Foundation brings out a niche monthly magazine and conducts constructive activities for school students), and is Member of the Directing Committee for the grant of the prestigious Jamnalal Bajaj Awards. He is past-president, Indo-French Technical Association, consisting of engineers, scientists (including nuclear scientists), finance experts, etc., who have either studied or worked in France.	Marathi periodicals and dailies. He currently does arbitration work as assigned by the High Court and various parties.	Director - National Seeds Corporation. He currently practices as advocate at Madras High Court.
Relationship with other Directors, Manager and other Key Managerial Personnel	Nil	Nil	Nil	Nil	Nil

Name of the Director	Mr. Sunil Shah	Mr. K. Chandrasekhar	Mr. Venkat Chary	Justice Rajan Kochar (Retd.)	Mr. Achudanarayanan Nagarajan
Directorship held in other Companies (excluding foreign companies)	1) Motivation Engineers and Infrastructure Private Limited 2) Vibrant Motivation and Development Foundation 3) GIS Foundation	1) RRR Global Advisors Private Limited	Nil	Nil	Nil
Chairmanship / Membership of committees of other Companies (includes Audit Committee, Stakeholders Relationship Committee, Nomination and RemunerationCommittee & Corporate Social Responsibility Committee)	Nil	Nil	Nil	Nil	Nil
Number of Board Meetings attended during the FY 2018-19	06	07	06	07	07
No of shares held in the Company	Nil	Nil	Nil	Nil	Nil
Remuneration last drawn	Refer Corporate Governance report which forms part of this Annual report				
Terms and conditions of appointment	Non-Executive Director, liable to retire by rotation.	Non-Executive Director, liable to retire by rotation.	Re-appointment as Independent Director for a second term of two years, not liable to retire by rotation.	Re-appointment as Independent Director for a second term of two years, not liable to retire by rotation.	Re-appointment as Independent Director for a second term of two years, not liable to retire by rotation.

ROUTE MAP TO THE AGM VENUE

Venue of the 31st AGM of 63 moons technologies limited
Sri Chandrasekarendra Saraswathi Mahaswami Auditorium, Vani Mahal, 103, G.N. Road, T. Nagar, Chennai - 600017.



63 moons technologies limited

(Formerly Financial Technologies (India) limited)

Regd. Office: Shakti Tower-1, 7th Floor, Premises-E, 766, Anna Salai, Thousand Lights, Chennai - 600 002.
Corp. Office: FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai - 400 093.
Tel: +91-22-6686 8010 | Fax: +91-22-6725 0257 | E-mail: info@63moons.com | Website: www.63moons.com
CIN: L29142TN1988PLC015586

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Form No. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):	
Registered address:	
E-mail Id:	
Folio No. / DP Id - Client Id:	

I/We, being the member(s) of ..... shares of the above named company, hereby appoint;

1. Name: ..... Address: .....
   E-mail Id: ..... Signature: ..... , or failing him/her;
2. Name: ..... Address: .....
   E-mail Id: ..... Signature: ..... , or failing him/her;
3. Name: ..... Address: .....
   E-mail Id: ..... Signature: .....

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Thirty First Annual General Meeting of the Company, to be held on Wednesday, September 18, 2019 at 11:00 a.m. at Sri Chandrasekarendra Saraswathi Mahaswami Auditorium, Vani Mahal, 103, G.N. Road, T. Nagar, Chennai - 600017 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution	Vote (Optional - See Note 2)		
ORDINARY BUSINESS:		For	Against	Abstain
1	Adoption of Audited Financial Statements (Standalone & Consolidated), Reports of the Board of Directors and Auditors for the F.Y. ended March 31, 2019.			
2	Declaration of dividend on equity shares for the F.Y. 2018-19, subject to appropriate judicial orders.			
3	Appointment of Director in place of Mr. Sunil Shah (DIN: 02569359), who retires by rotation and being eligible, offers himself for re-appointment.			

Sr. No.	Resolution	Vote (Optional - See Note 2)		
4	Appointment of Director in place of Mr. Kanekal Chandrasekhar (DIN: 06861358), who retires by rotation and being eligible, offers himself for re-appointment.			
5	Re-appointment of M/s. Sharp & Tannan Associates, Chartered Accountants, as the Statutory Auditors of the Company for a period of five years and to fix their remuneration.			
SPECIAL BUSINESS:				
6	Re-appointment of Mr. Venkat Chary (IAS, Retd.) (DIN: 00273036) as Independent Director, not liable to retire by rotation, for a second term of two years.			
7	Re-appointment of Justice Rajan J. Kochar (Retd.) (DIN: 06710558) as Independent Director, not liable to retire by rotation, for a second term of two years.			
8	Re-appointment of Mr. Achudanarayanan Nagarajan (IAS, Retd.) (DIN: 02107169) as Independent Director, not liable to retire by rotation, for a second term of two years.			
9	Re-classification of shareholding status of the Individuals forming part of Promoter Group from "Promoter & Promoter Group" category to "Public" category.			

Signed this ……. day of …….. 2019.

Affix Revenue Stamp

Signature of shareholder: ……..

Signature of Proxy holder(s): …….

Note: 1) This proxy form in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

2) It is optional to put a " ✔ " in the appropriate column against the Resolutions indicated in the box. If you leave the 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

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Tel: +91-22-6686 8010 | Fax: +91-22-6725 0257 | E-mail: info@63moons.com | Website: www.63moons.com
CIN: L29142TN1988PLC015586

ATTENDANCE SLIP

I / We, being a member / proxy for a member of the Company, record my / our presence at the THIRTY FIRST ANNUAL GENERAL MEETING of the Company to be held on Wednesday, September 18, 2019 at 11:00 a.m. at Sri Chandrasekarendra Saraswathi Mahaswami Auditorium, Vani Mahal, 103, G.N. Road, T. Nagar, Chennai – 600017.

Full Name of the Member(s) / Proxy (In Block Letters) : .....

No. of Shares held : .....

Folio No. / DP Id and Client Id : .....

Signature(s) of the Member(s) / Proxy :

1. .....

2. .....

Note:

1) Members attending the meeting in-person or by proxy are requested to complete the attendance slip and deposit with the Company officials at the venue of the meeting.
2) Members are requested to bring their copies of the Annual Report at the AGM.

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CIN: L29142TN1988PLC015586

Folio No. /DP Id. / Client Id :

Name :
Address :

Joint Holder(s) :

Number of shares held :

Dear Member,

Sub: Voting through electronic means

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide e-voting facility to its members to exercise their vote by electronic means in respect of the businesses to be transacted at the Thirty First Annual General Meeting scheduled to be held on Wednesday, September 18, 2019 at 11:00 a.m.

The Company has engaged the services of Karvy Fintech Private Limited ("Karvy") as the authorized agency to provide e-voting facility. The e-voting particulars are set out below:

EVEN (E-Voting Event Number)	USER ID	PASSWORD/PIN

The e-voting facility will be available during the following voting period:

Commencement of e-voting	End of e-voting
September 13, 2019 (09:00 a.m. onwards)	September 17, 2019 (upto 05:00 p.m.)

The cut-off date for the purpose of e-voting is September 11, 2019.

Please read the instructions printed overleaf before exercising the vote. This communication forms an integral part of the Notice dated August 09, 2019 for the Thirty First Annual General Meeting scheduled to be held on September 18, 2019, which is being mailed to you along with the Annual Report for the financial year 2018-19 of the Company. Attention is invited to the statement in the accompanying Notice that the business of the meeting may be transacted through electronic voting system and that the Company is providing facility for voting by electronic means. The Notice of the Annual General Meeting and this Communication are also available on the website of the Company i.e. www.63moons.com and the website of Karvy i.e. https://evoting.karvy.com.

For 63 moons technologies limited

Place: Mumbai
Date: August 09, 2019

Hariraj Chouhan
Sr. Vice President & Company Secretary

Instructions and other information relating to e-voting are as under:

A. In case a Member receives an e-mail from Karvy [for members whose email IDs are registered with the Company/ Depository Participant(s)]:

i. Launch internet browser by typing the URL: **https://evoting.karvy.com**
ii. Enter the login credentials (i.e. User ID and password mentioned overleaf). Your Folio No./DP ID- Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
iii. After entering these details appropriately, click on "LOGIN".
iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.**
v. You need to login again with the new credentials.
vi. On successful login, the system will prompt you to select the E-Voting Event Number for 63 moons technologies limited.
vii. On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as mentioned overleaf. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
viii. Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
ix. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
x. You may then cast your vote by selecting an appropriate option and click on "Submit".
xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
xii. Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: **bnandassociates.scrutinizer@gmail.com**. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."

B. In case a Member receives physical copy of the Annual General Meeting Notice by Post [for members whose email IDs are not registered with the Company / Depository Participant(s)]:

(i) User ID and initial password as provided overleaf.
(ii) Please follow all steps from Sr.No.(i) to (xii) as mentioned in (A) above, to cast your vote.

C. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote electronically shall not be allowed to vote on the said items again at the Meeting. In case a member casts votes by both modes, then voting done through e-voting shall prevail.
D. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website: https://evoting.karvy.com.
E. The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date, being September 11, 2019.
F. The Board of Directors has appointed Mr. B. Narasimhan (FCS No. 1303), Proprietor- M/s. BN & Associates, Company Secretaries, Mumbai and failing him, Mr. Venkataraman K. (ACS No. 8897), Practicing Company Secretary, Mumbai as the Scrutinizer to scrutinize the voting through remote e-voting and voting process at the AGM, in a fair and transparent manner.
G. The Scrutinizer shall within a period not exceeding two days from the conclusion of the meeting unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, and submit the same to the Chairman of the meeting.
H. The results on resolutions shall be declared within stipulated time limit after the Annual General Meeting of the Company and the resolutions shall be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favour of the Resolutions.
I. The declared results along with the Scrutinizer's Report(s) shall be available on the website of the Company i.e. **www.63moons.com** and on Karvy's website i.e. **https://evoting.karvy.com** and shall also be displayed on the Notice Board of the Company at its Registered Office and Corporate office. The results shall also be simultaneously communicated to BSE Limited and the National Stock Exchange of India Limited.