

HAPPY CUSTOMERS MAKE US HAPPY

"Datamatics seamlessly aligned with our organisation's vision. They are a strategic partner in our Digital Transformation journey."

Head of Intelligent Automation,
Fortune 500 Logistics Giant

"Datamatics team is very flexible, proactive, & innovative and have always helped us to get right results at the right time"

Head - Information Technology,
International Health Insurer & Provider



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Datamatics a global Technology, Business Process Management and Digital Solutions company provides intelligent solutions for data-driven businesses to increase productivity and enhance the customer experience. With a complete digital approach, Datamatics portfolio spans across Technology Solutions, Business Process Management and Engineering Services powered by Artificial Intelligence. It has established products in Robotic Process Automation, Intelligent Document Processing, Business Intelligence and Automated Fare Collection. Datamatics does business with global customers across Banking, Financial Services, Insurance, Healthcare, Manufacturing, International Organizations, and Media & Publishing. The Company has presence across 4 continents with major delivery centers in the USA, India, and Philippines.

CONSOLIDATED REVENUE (₹ in Million)

11,490.5

↓ 4.5%

CONSOLIDATED REVENUE WITHOUT CIGNEX (₹ in Million)

10,223.8

↑ 1.5%

EBITDA (₹ in Million)

1,422.4

↑ 15.1%

WORLDWIDE Significant Customers

200+

OFFICES in Countries

6

GLOBAL DELIVERY CENTERS in Regions

4

HAPPY CUSTOMERS MAKE US HAPPY

As our customers adopt digital technologies to drive their businesses, our primary objective remains to deliver beyond and help our customers on their journey towards digital transformation. It provides us an excellent opportunity to partner with them and enable them to remain competitive.

The new era of digital technologies is changing the world rapidly, and so is Datamatics. With a shift in paradigm in the recent times, we have witnessed technological disruptions across different regions and industries. It provides us with the opportunity to evolve with the world and explore new horizons in this data-driven world.

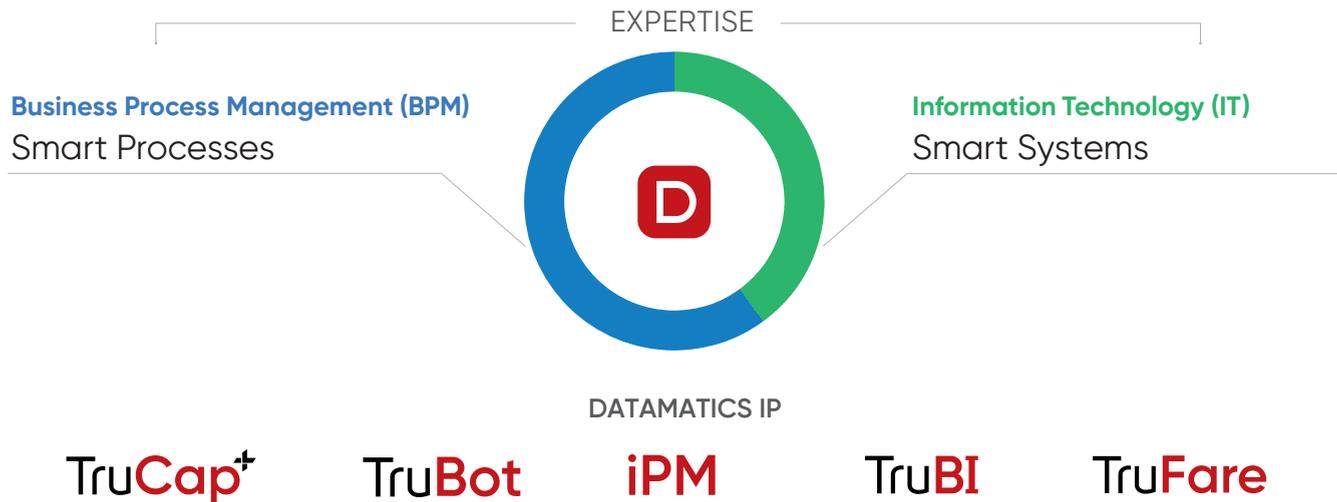
Our digital solutions like Robotics, Intelligent Automation, Digital Finance, Digital Workplace, and Cloud help our customers increase enterprise productivity. While, solutions such as Customer Management, Digital Experience, and Digital Content Management help the customers build deeper customer relationships. With key focus on customer satisfaction, we continue to innovate and grow with our customers.



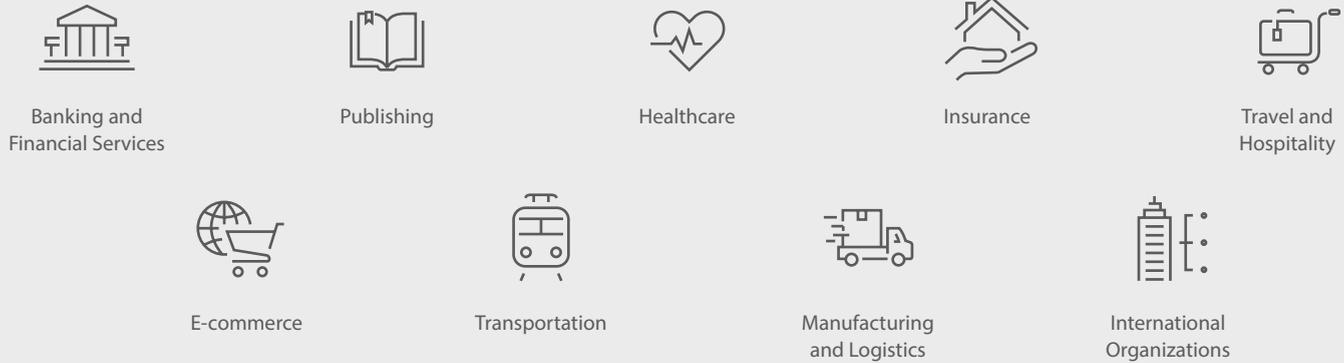
At a Glance

What we do

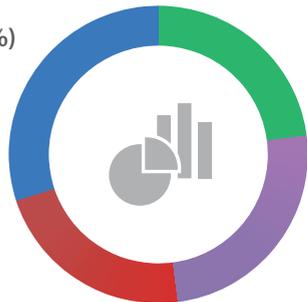
We are a global Technology, Business Process Management and Digital Solutions company. We build intelligent solutions for data-driven businesses to increase productivity and enhance the customer experience.



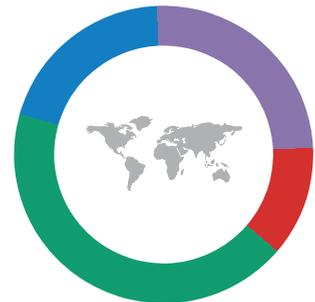
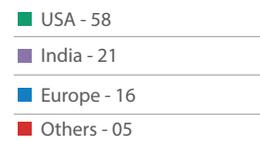
TRANSFORMING BUSINESSES ACROSS INDUSTRIES



Top three revenue contributors by industry (%)



Top three revenue contributors by region (%)



Strategic Focus

Strengthening digital solutions footprint

We deliver a comprehensive suite of innovative services and solutions to customers including Fortune 500 companies for managing their end-to-end Application Life Cycle and Business Critical Processes.

Our stellar brand reputation in the market and strong foothold in the IT and ITeS space, along with a three-decade long legacy of delivering solutions tailored to client requirements have helped us create sustainable value for all our stakeholders. We have identified the following strategic priorities to drive robust revenue growth and margin improvements going forward:



In FY 2020-21, we continued making significant efforts and investments in strengthening our digital footprint, and are now well positioned to implement digital technologies such as Intelligent Document Processing, Robotic Process Automation, Digital Experiences, Analytics, Cloud, and Artificial Intelligence for our customers. We are focusing on deepening our account penetration with our customers, which include Fortune 500 companies, by cross-selling and up-selling through integrated sales and marketing efforts.

We are investing in developing as well as updating our own IP solutions in the digital technology space. Datamatics Intelligent Automation Platform (IAP) is a unified platform to automate a series of tasks, processes, and unstructured and semi-structured data in documents. The Platform combines the capabilities of TruBot for Robotic Process Automation (RPA), TruCap+ for Intelligent Document Processing (IDP) along with artificial intelligence (AI)/machine learning (ML) models developed by Datamatics. We have also developed iPM for end-to-end workflow management, TruBI for business intelligence & data visualization and TruFare for Automated Fare Collection. All these products and platforms are getting good traction in the market.

On the back of product strategy, we continue to invest in expanding our partner network. The evolving partner ecosystem will increase the sales momentum and will ensure smooth implementation and support for Datamatics IP products globally.

Automated Fare Collection (AFC) has been one of our key focus areas. We see this as a huge opportunity in US and emerging economies around the world, including India. Currently Datamatics has made substantial progress in implementing AFC solutions for Mumbai Metro (Line 2A & 7); and Memphis Area Transit Authority (MATA), the public transportation provider for the Memphis area, USA.

It is one year since COVID-19 was declared a global pandemic and the threat of pandemic is not yet over. Like last year, our priorities continue to be employee well-being, servicing and retaining customers and tightly managing cash-flows. We are well prepared to address the challenge posed by the pandemic and remain cautious and at the same time confident of sustaining the growth momentum in coming year.

Business Overview

Customer Satisfaction, Our Passion.

As our customers adopt digital technologies to drive their businesses in an ever-changing business scenario, our primary objective remains to deliver beyond and help our customers on their journey towards digital transformation.

We are a global Technology, Business Process Management and Digital Solutions company providing intelligent solutions for data-driven businesses. With a complete digital approach, our portfolio spans across Technology Solutions, Business Process Management and Engineering Services powered by Artificial Intelligence. We have established products in Robotic Process Automation, Intelligent Document Processing, Business Intelligence and Automated Fare Collection.



IT SOLUTIONS

- Enterprise Modernisation
- Cloud Services
- Digital Experiences & Consulting
- Enterprise Content Management
- Hyperautomation Services
- Enterprise Solutions
- Automated Fare Collection (AFC)

The worldwide IT spending is expected to total US\$ 4.1 trillion in 2021, an increase of 8.4% from 2020. IT spending is likely to decelerate to 5.5% in 2022 to \$4.3 trillion, with all IT spending segments expected to have positive growth through 2022, according to Gartner.

Datamatics is well positioned to implement Digital Technologies, including Intelligent Document Processing, Robotics, Cloud, Digital Experiences, Analytics, and Artificial Intelligence for its customers. Datamatics with its experience and expertise has carved out a niche for itself towards becoming a strategic partner to its valued customers and offering intelligent solutions.



Datamatics ensures that we are on right technology at all times to compete with our competitors in the global market.

Group CFO
Leading Indian Mining Company



IT SOLUTIONS: FY 2020-21 PERFORMANCE HIGHLIGHTS





BUSINESS PROCESS MANAGEMENT

- Finance & Accounting
- Customer Management
- Banking Process Management
- Insurance Process Management
- Publishing
- E-Commerce
- BPaaS

According to Everest Group, the global BPM market is projected to total to \$ 254 billion in 2021, an increase of 4.5% from 2020. BPM market is likely to grow at 7.6% in 2022 to \$273 billion. Industry-vertical-oriented BPM, enterprise back-office BPM and contact center are some of the segments expected to witness the highest volume of new work in the next five years.

Datamatics BPM offerings help organizations drive cultural change through digitization and automation, providing tangible bene-fits to enterprises in terms of higher process efficiency, increased compliance, complete transparency, shorter time-to-market, and customer delight. We are seeing specific opportunities in the process automation and dynamic content management areas.

“ Over the years, we have worked hand-in-hand with Datamatics to automate and streamline our processes ”

Global Director, Accounts Receivables
Leading American Manufacturing Company

BPM: FY 2020-21 PERFORMANCE HIGHLIGHTS



INTELLIGENT AUTOMATION

The market for process-agnostic software enabling Hyperautomation is projected to reach \$25 billion in 2021 and is forecasted to grow at a CAGR of 18.8% over the period 2020-2025, thereby amounting to over \$46 billion by end of 2025.

Robotic Process Automation (RPA) software market is growing at healthy double digit rates as per various analyst estimates. Gartner predicts that by 2022, 65% of organizations that deployed automation capabilities will introduce artificial intelligence (AI) that include machine learning (ML), natural language processing (NLP) algorithms and intelligent document processing (IDP).

Intelligent Document Processing (IDP) market is projected to grow at 55%-65% CAGR thereby amounting to 1.85-1.95 Billion by 2022, driven by strong demand for automation.

Datamatics Intelligent Automation Platform (IAP) is a unified platform to automate a series of tasks, processes, and unstructured and semi-structured data in documents; addressing the automation needs of the businesses. The platform combines the capabilities of TruBot for Robotic Process Automation (RPA), TruCap+ for Intelligent Document Processing (IDP) along with artificial intelligence (AI)/machine learning (ML) models developed by Datamatics. This year Datamatics launched a new AI-enabled TruCap+ IDP solution which was recognized as a Major Contender and Star Performer by Everest Group in its IDP PEAK Matrix® 2021

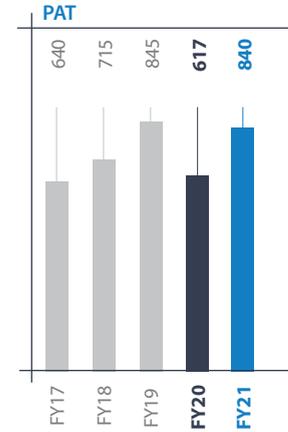
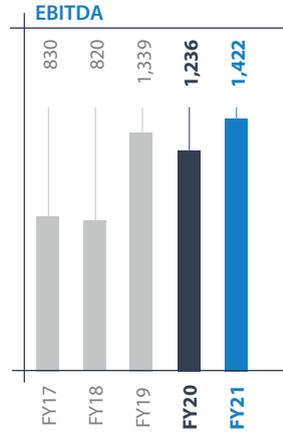
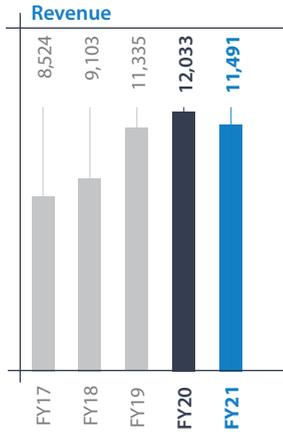
HIGHLY RATED INTELLIGENT AUTOMATION PLATFORM BY CUSTOMERS GLOBALLY



Key Performance Indicators

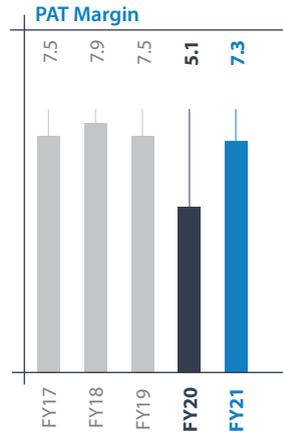
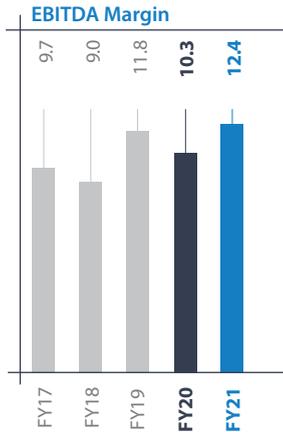
Robust revenues, stable margins

Steady growth over the past five years (₹ in millions)



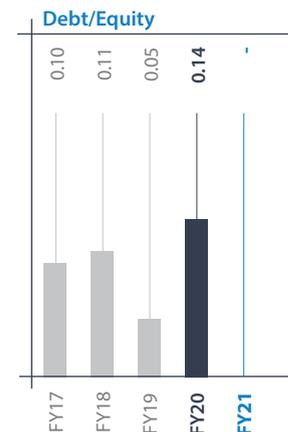
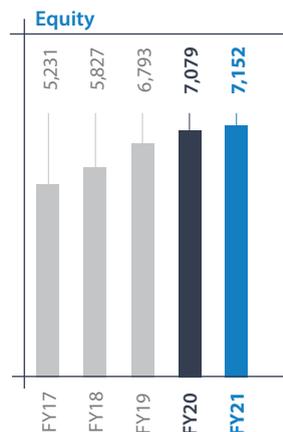
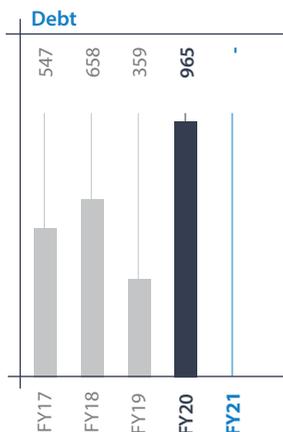
Note: EBITDA excluding Other Income
PAT before Non-controlling Interest

Stable margins (in %)



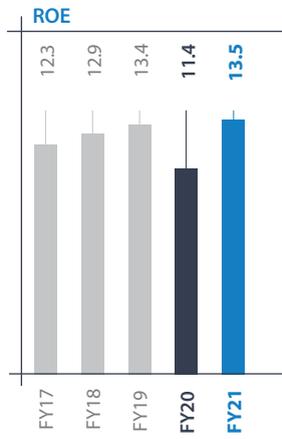
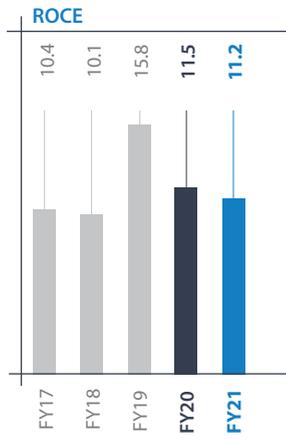
Note: EBITDA excluding Other Income
PAT before Non-controlling Interest

Healthy balance sheet (₹ in millions)

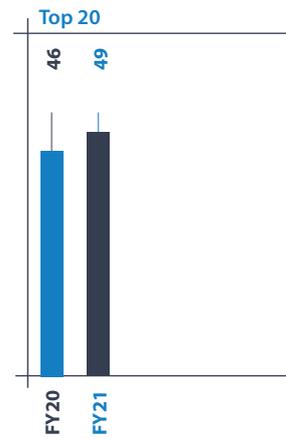
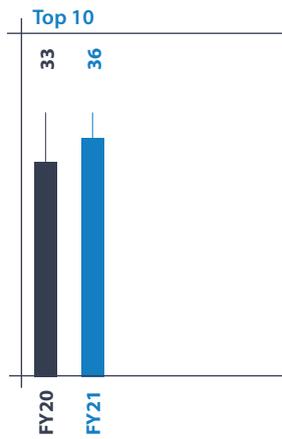
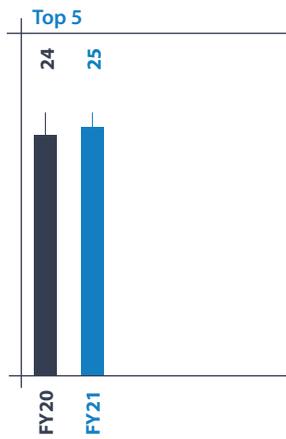




Improving return ratios (in %)



Client concentration (in %)





Chairman's Message

Dr. Lalit S. Kanodia
Founder and Chairman



I am happy to share that your Company has restructured its business during the FY 2020-21 with the objective of increasing revenues, reducing costs, and improving the ease of doing business





Dear Shareholders,

I am happy to share that your Company has restructured its business during the FY 2020-21 with the objective of increasing revenues, reducing costs, and improving the ease of doing business, despite the fact that we were confronted by the Covid Pandemic with unknown consequences.

This restructuring included:

- Merger of Datamatics Digital Ltd. (earlier TechJini), a Company devoted to Mobility Software Development in which we had acquired a controlling interest in 2017-18, into Datamatics Global Services Limited in December 2020.
- Acquisition of 100% of the equity of R. J. Globus Solutions Inc., a Company located in Philippines in which we had acquired a controlling interest in 2018.
- Divestment of CIGNEX Datamatics, in which your Company indirectly held 62.51% equity stake, at a consideration of USD 16.57 million, since this was not in our core business.

As a consequence of the above actions our financials improved as follows:

1. EBITDA margins in FY 2020-21 were ₹1,442.4 million, up 15.1% YOY as against ₹1,235.7 million in FY 2019-20.
2. Profit after Tax was ₹797.5 million, up 25.1% YOY as against ₹637.4 million in FY 2019-20.
3. The Company had zero debt as on 31st March 2021.

Worldwide IT and digitization continue to surge. It is estimated that India exported \$145 billion of IT Services in 2020-21 and remains the dominant exporter in this sector. Besides, our domestic market is estimated at \$50 billion. IT therefore constitutes about 8% of India's GDP.

Your Company provides digital solutions across Banking & Financial Services, Insurance, Retail, Manufacturing, International Organizations, and Media & Publishing, servicing over 200 significant customers globally.

As we all look ahead towards a potential end of pandemic, your Company has worked hard to emerge through this crisis as a resilient organization. We took a series of actions to mitigate potential threats posed by Covid pandemic to our business.

As a first step, our Executive Directors took a voluntary cut in their compensation and Staff members were given computer hardware at their residences with connectivity to enable them to work from home. We were thus able to serve our clients with little or no disruption. I am extremely proud of all our staff members who rose to the challenge.

We continue to invest in developing Intellectual Property and have a strong footprint in the digital space providing new age solutions in Cloud, Mobility, Robotics, Digital Process Automation and Artificial Intelligence. Datamatics also has a strong product portfolio in Robotic Process Automation (TruBot), Intelligent Document Processing (TruCap+), Business Intelligence & Advance Analytics (TruBI), Artificial Intelligence (TruAI) and Automated Fare Collection (TruFare).

Our Share price, which did not reflect the strength of the Company, increased drastically in the last few months, thus correcting an inexplicable anomaly. Our Share price as on 31st March 2020 was ₹ 41.05 which surged and reached a high of ₹ 347 in late August 2021.

During the second wave of COVID-19, your Company stepped up its CSR initiatives and donated an oxygen plant to a hospital in Delhi through the Rotary Club of Delhi Premier. We also donated mobile toilets and bathrooms for the rehabilitation centre of COVID-19 patients at Puducherry. Additionally, your Company also deployed its TruBot technology to help the Nashik Municipal Corporation manage antigen test data for ICMR.

I would like to end this letter by quoting a phrase of Lou Gerstner, former Chairman of IBM, in these challenging times to overcome crises posed by COVID-19 pandemic - "Computers are magnificent tools for the realization of our dreams, but no machine can replace the human spark of spirit, compassion, love, and understanding."

I take this opportunity to thank all our customers, staff, shareholders, business partners and associates for their unceasing support and commitment to your Company.

Dr. Lalit S. Kanodia

Ph. D. (MIT, USA)

Founder and Chairman



Vice Chairman & CEO's Message

Rahul L. Kanodia
Vice Chairman & Chief Executive Officer



I am extremely proud of the way every Datamatician worked relentlessly to deliver our services and commitments to all our stakeholders. We are happy to see the growth recovery in businesses across industry and verticals which was impacted initially due to pandemic





Dear Shareholders,

Today digital technology has become an integral part of our lives. Our digital solutions includes products and services that enable digital transformation of our clients' businesses. Solutions like Intelligent Automation, Digital Finance, Digital Workplace, and Cloud enable our clients increase enterprise productivity and Customer Management, Digital Experience, and Digital Content Management help them deliver outstanding customer experience.

Let me give a brief insight into our solutions portfolio:

Our **Technology Services** adopt agile methodologies and DevOps to deliver next-generation Application Development and Management services to global enterprises. We have partnered with IBM and OpenText to drive Digital Transformation for large marquee enterprises. Cloud is another rapidly growing area, and we have partnered with Amazon Web Services and Microsoft Azure to build our services capabilities.

For mobility solutions Datamatics has become the preferred choice of digital-first companies to build their human-centric digital experiences. With COVID pandemic, we have seen new opportunities in the Fin-tech, Ed-tech and Med-tech space.

In **Business Process Management** space we have invested in digital automation platforms to make operations more productive and efficient. Our Digital Finance solutions streamline and automate the back-office and mid-office processes on iPM, our cloud based digital platform that integrates with Robotics, and Intelligent Document Processing. Datamatics was recognized as a Star Performer in Finance and Accounting Digital Capability Platform Solution Peak Matrix 2020 by Everest Group. In Digital Content Management, Lumina Datamatics has developed strong IP solutions such as CAPS for Journal Content Authoring and Publishing System and MARS a Manuscript Assessment and Reporting System.

We are also investing in areas that are witnessing high growth:

Automated Fare Collection (AFC) is an important focus area. With government focus on smart and rapid transport such as metro-rails, we see this as a good opportunity. Datamatics is the only Indian Company to have a robust AFC, solution and have successfully deployed TruFare at Lucknow metro and Vaishno Devi, and are currently working on Mumbai Metro. We are also actively pursuing US market and have won the AFC contract for Memphis.

Intelligent Automation, is currently the fastest growing enterprise technology segment in the world, growing at 58% per annum. We have made significant investments in strengthening our Intelligent Automation offering by building our own products TruBot in Robotic Process Automation; TruCap+ in Intelligent Document Processing and TruAI, our comprehensive Artificial Intelligence platform. We are getting a good response from the market for these solutions and have started servicing some marquee logos around the world. To increase the sales momentum for TruBot, we have expanded our partner network to over 100 partners around the world.

Datamatics has received a number of awards and recognition. TruBot was recognized by several leading analyst firms like

Gartner, 451 Research, and Everest Group which rated it as a Major Contender in its RPA Peak Matrix 2020. Datamatics TruCap+ was also recognized by Everest Group as a Major Contender in IDP Peak Matrix 2019.

In FY21 our consolidated revenue stood at ₹ 11,491 million; down by 4.5% year-on-year because of non-inclusion of Cignex revenue in Q4 FY21 and impact of pandemic in the initial quarters. Revenue without Cignex in FY21 was ₹ 10,223 million, an increase of 1.5% year-on-year. Of the total revenue, IT solutions - include application management services, digital solutions such as Robotic Process Automation, Digital Experiences, Cloud solutions, analytics as well as Automated Fare Collection - constitute 51% with EBITDA of 6.9%. On the other hand, Business Process Management constitute 49% of total revenues with EBITDA of 18.1%.

Like all businesses we also saw an adverse impact because of COVID. However I am extremely proud of the way every Datamatician worked relentlessly to deliver our services and commitments to all our stakeholders. We are happy to see the growth recovery in businesses across industry and verticals which was impacted initially due to pandemic. Our EBITDA margin increased by 15.3% sequentially in Qtr-2 of Fin. Yr. 21; driven by cost optimization efforts. We are seeing a demand revival across segments as customers are accelerating their digital transformation journey, and are confident of sustaining the growth momentum in coming quarters.

Going forward, Datamatics will actively focus on Intelligent Automation by deploying digital technologies for automating business processes and enhancing customer experiences. We are well positioned to capture this market opportunity on the back of an entire suite of products, solutions and partnerships we have built in this space.

This year, due to COVID, we stepped up our CSR initiatives and made a special effort in contributing to society. We adopted Sambhaji Nagar, a slum in Mumbai and provided meals to over 1,000 families for a month. Additionally, we helped the BMC manage the migrant worker crisis caused by COVID, by setting up an emergency digital call centre. We collaborated with NGOs to provide food and supplies to over 650,000 people. And in the Philippines, we partnered with the local community for setting up safe water systems.

This year, we have firmly established ourselves as a key player in the Diversity & Inclusion space, through the 'Datamatics Diversity Charter'. Datamatics was recognized for being among the Top Companies in the Private sector at the UN Global Compact Network - Innovative Practices Award. Recently, we also won D&I CEO of the Year award and 'Best D&I Award for Gender Diversity and Empowerment'.

I take this opportunity to thank our valued shareholders and all our stakeholders, our clients, partners & employees for being an integral part of our growth journey, and their continued support and encouragement.

Yours Sincerely,

Rahul L. Kanodia

Vice Chairman & Chief Executive Officer



AWARDS AND ACHIEVEMENTS

Datamatics also received awards from industry bodies for its solutions.

Datamatics



Datamatics recognised for being among the Top Companies in the Private sector at the United Nations Global Compact Network India (UN GCNI) Innovative Practices Award "Women at Work" – 2020



Datamatics named as 'Leader' in the IAOP 2021 Global Outsourcing 100 List



Datamatics TruBot recognised at Gold Stevie Award 2020 for 'Sales & Customer Service' while TruCap+ wins People's Choice Stevie Award 2020 for 'Favourite New Products'



Datamatics won Rail Analysis India Award 2020 for Automated Fare Collection technology



Datamatics won the Market Research Society of India (MRSI) Golden Key Awards 2020 for its exceptional initiative of transforming the BMC Helpline into an Emergency Response Center during the Lockdown period



Datamatics won the CRN Excellence Award 2020 for its innovative virtual reality gaming App for Alzheimer's patients

Lumina Datamatics



Lumina Datamatics recognised by the World Federation of HR Professionals with 'Most Innovative HR Tech Leaders (India) 2020' award



Lumina Datamatics recognised by World HRD Congress with 'Tamilnadu Most Promising Brand Award 2020'

Board of Directors



Dr. Lalit S. Kanodia
Chairman

Dr. Lalit S. Kanodia, the Founder and Chairman of Datamatics Group of Companies, is one of the pioneers in the Indian Software and BPM Services industry. He founded Datamatics in 1975, prior to which he was instrumental in setting up Tata Consultancy Services in 1967. As the Chief Mentor at Datamatics, Dr. Kanodia drives all innovation, new product development and quality initiatives. After obtaining a degree in engineering from IIT, Bombay, he completed his Doctorate in Management and post-graduation in Computer Science from the MIT (USA). Dr. Kanodia was on the Executive Board of MIT (Europe, Asia and Africa). He was also past President of Management Consultants Association of India, Indo American Chamber of Commerce and IMC Chamber of Commerce and Industry. Recently, he has been nominated as a member of the Advisory Council of the University of Mumbai by the Hon'ble Governor of Maharashtra.



Dilip D. Dandekar
Independent Director

Dilip Dandekar has over 45 years of experience in marketing, administration and overall management of companies. He is the Chairman of Kokuyo Camlin Ltd, and Camlin Fine Sciences Ltd. He served as the President of the Indian Merchants' Chamber and Maharashtra Chamber of Commerce, Industry and Agriculture. He is a member of the Executive Committee of the Federation of Indian Chambers of Commerce and Industry. He is currently the Honorary Consul of Mongolia, Mumbai.



Rahul L. Kanodia
Vice Chairman & CEO

Rahul L. Kanodia has been the chief architect in driving Datamatics to be a leading Digital Solutions Company, focused on enhancing business productivity for digital-first companies through smart automation of data-driven processes. Rahul leads all the strategic and corporate initiatives globally, leading to the long-term growth, profitability and industry leadership for Datamatics. He is also the Chairman of NASSCOM's Regional Council. Rahul holds an MBA from Columbia University (USA) with a major in Business Strategy & Marketing and a minor in Mergers & Acquisition and Turnaround Management.



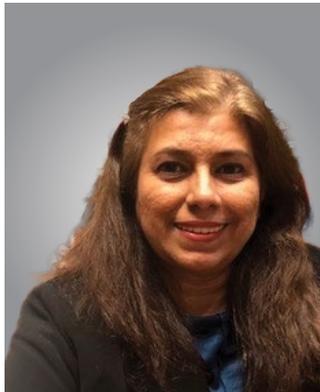
R. K. Saraswat
Independent Director

R. K. Saraswat has over 40 years of experience in Project Finance, General Administration and Advanced Accounts. He held the positions of Director (Finance) at Datamatics Limited; President, S. M. Dyechem Limited and Senior Vice President, Grasim. At Grasim, he was part of the team that set up its Mangalore refinery project. He is a Commerce graduate and a Fellow of The Institute of Chartered Accountants of India.



Sameer L. Kanodia
Non-Executive Director

Sameer L. Kanodia has more than 20 years of experience and drives various strategic initiatives, expansion plans and go-to-market strategies for Datamatics. He has managed several large and complex projects. He received his Bachelor of Science in Business Administration degree from Bryant University, USA, with a major in Marketing. Sameer subsequently did his Master's in Business Administration from Bryant University with a major in Finance. He has been a member of the Board of Trustees at his alma mater, Bryant University, since 2008 and also been a member of the IT Committee at the Indian Merchant's Chamber, Mumbai, since 2010.



Mona Bhide
Independent Director

Ms. Mona Bhide has been in legal practice since the year 1989 and is the Managing Partner of Dave & Girish & Co. Advocates. Her practice revolves around corporate law, securities and banking transactions, capital markets, structured finance, securitisation, swaps, derivatives, mergers and acquisitions and restructuring. Ms. Bhide is also advisor to various MNCs, banks and financial institutions. Her education in India is B.Com and LL.B from University of Mumbai and she has studied further for graduation with an LLM degree from Northwestern University, School of law, Chicago. In United States she worked at Sedgwick, Deetert Moran and Arnold, an international law firm and research at the American Bar Foundation, at Chicago, USA on the topics like SEC Regulations; Conflicts of interest; and Globalization of the legal profession. Currently, she is also on the Board of National Stock Exchange, Alliance of Business Lawyers, Vinati Organics Ltd. and GIC Housing Finance Limited apart from Datamatics Global Service Ltd.



Asha L. Kanodia
Non-Executive Director

Asha L. Kanodia graduated in Psychology from the University of Mumbai. She studied Social Psychology at the Massachusetts Institute of Technology, US. She is also an Interior Designer and has designed most of Datamatics offices.



Vinay M. Aggarwal
Independent Director

Vinay Aggarwal has an MBA in Finance from North Eastern University, USA. After a stint with Unisys at their world HQ in Detroit, he became the Vice President of Tata Unisys Ltd. (1981- 88). Thereafter, he was appointed as the CFO of TCS (1990- 2003). He also worked briefly as the CFO of Flag Telecom, a subsidiary of Reliance Communications. He is now an Independent Consultant.

Leadership Team



Rahul L. Kanodia
Vice Chairman & CEO



Brajesh Ugra
President - Global Sales



Divya Kumat
EVP, Chief Legal Officer &
Company Secretary



Mitul Mehta
SVP &
Chief Marketing Officer



Navin Gupta
EVP & Head-Business Process
Management Services



Rajesh Agarwal
SVP - Intelligent Automation
Implementation



Dr. Rima Chowdhury
EVP, Chief Human Resources
Officer & CSR Leader



Sachin Rane
EVP and Head-Software
Solutions



Sandeep Arora
EVP & Global Head- Customer
Management & Consulting



Sandeep Mantri
SVP and Chief Financial Officer



Sanjeet Banerji
EVP & Head - Artificial Intelligence
& Cognitive Sciences



Sanjeev Subhedar
President & Head -
Engineering Solutions



Shashi Bhargava
EVP & Head -
Intelligent Automation Products



Corporate information

Registered Office

Knowledge Centre
Plot No. 58, Street No. 17
Andheri (E)
Mumbai – 400093
Tel: +91 (22) 6102 0000 – 0005
Fax: +91 (22) 2834 3669

Corporate Identification Number (CIN)

L72200MH1987PLC045205

Registrar & Share Transfer Agents

Datamatics Business Solutions Limited
Plot No. B-5, Part B, Cross Lane
MIDC, Andheri (E)
Mumbai – 400093
Tel: +91 (22) 6671 2151
Fax: +91 (22) 6671 2230
Email: depository@datamaticsbpm.com

**EVP, Chief Legal Officer
& Company Secretary**
Divya Kumat

Auditors

M/s. M L BHUWANIA AND CO LLP

Solicitors

Chambers of Amir Arsiwala
Advocates & AOR, Supreme Court of India

Bankers

Citi Bank
ICICI Bank Limited
HDFC Bank Limited
Standard Chartered Bank



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NOTICE

NOTICE is hereby given that the **THIRTY THIRD ANNUAL GENERAL MEETING (AGM)** of the members of **DATAMATICS GLOBAL SERVICES LIMITED** will be held on Thursday, September 30, 2021 at 11.30 A.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") facility to transact the following businesses:

ORDINARY BUSINESS:

- To receive, consider and adopt:
 - the Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2021, together with the Reports of the Auditors thereon;
 - the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2021, the reports of the Board of Directors and the Auditors thereon; and
- To appoint a Director in place of Mr. Sameer L. Kanodia (DIN: 00008232), who retires by rotation and being eligible, offers himself for re-appointment.

By **Order of the Board of Directors**

Sd/-
Divya Kumat
EVP, Chief Legal Officer &
Company Secretary

Place : Mumbai
Date : May 26, 2021

Registered Office:

Knowledge Centre, Plot No. 58, Street No. 17,
MIDC, Andheri (E), Mumbai - 400 093.
CIN: L72200MH1987PLC045205
Tel: +91(22) 61020000/1/2 | Fax: +91(22)28343669
Website: www.datamatics.com
Email: investors@datamatics.com

NOTES:

- In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its Circular No. 02/2021 dated January 13, 2021 read with Circular No. 20 dated May 5, 2020, Circular No. 17 dated April 13, 2020 and circular No. 14 dated April 8, 2020 (hereinafter collectively referred to as "MCA Circulars") and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/ 2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated May 12, 2020 and January 15, 2021 respectively, permitted the holding of Annual General Meeting through VC or OAVM without the physical presence of Members at a common venue. In compliance with these MCA Circulars and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual General Meeting of the Members of the Company is being held through VC/OAVM. **Hence, Members can attend and participate in the AGM through VC/OAVM only.** The deemed venue for the Annual General Meeting of the Company shall be the Registered Office of the Company.
- The Notice of the Annual General Meeting along with the Annual Report for the financial year 2020-21 is being sent only by electronic mode to those Members whose email addresses are registered with the Company / Depositories in accordance with the aforesaid MCA and SEBI Circulars. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2020-21 will also be available on the Company's website www.datamatics.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL at www.evoting.nsdl.com.
- The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment/re-appointment at this AGM is annexed to the Notice.
- Pursuant to the provisions of the Companies Act, 2013 ("the Act"), a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- The Members can join the AGM in the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM



- through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to swapneel@spassociates.co with a copy marked to evoting@nsdl.co.in.
7. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Datamatics Business Solutions Limited ("DBSL") for assistance in this regard.
 8. The Register of members and Share Transfer Books of the Company will be closed from Friday, September 24, 2021 to Thursday, September 30, 2021 (both days inclusive).
 9. **To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with DBSL in case the shares are held by them in physical form.**
 10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to DBSL in case the shares are held by them in physical form.

SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to DBSL.
 11. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the 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 are requested to submit the said details to their DP in case the shares are held by them in electronic form and to DBSL in case the shares are held in physical form.
 12. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or DBSL, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
 13. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
 14. Shareholders are requested to forward their queries on the annual report for the financial year ended March 31, 2021 to the Company on investors@datamatics.com on or before September 23, 2021.
 15. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in. Members' attention is particularly drawn to the "Corporate Governance" section with respect to unclaimed and unpaid dividends.
 16. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
 17. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
 18. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
 19. **Instructions for voting through electronic means (e-voting):**
 - I. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the Company is pleased to provide to its Members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means.
 - II. The Company has engaged the services of NSDL as the Agency to provide remote e-Voting facility and e-Voting during the AGM.
 - III. The Board of Directors has appointed Mr. Swapneel Vinod Patel, Company Secretary in Practice (Membership No. A41106/Certificate of Practice No. 15628) as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
 - IV. The Results of voting will be declared within 48 hours from the conclusion of the AGM. The declared Results, along with the Scrutinizer's Report will be submitted with the Stock Exchanges where the Company's equity shares are listed (BSE Limited & National Stock Exchange of India Limited) and shall also be displayed on the Company's website www.datamatics.com and NSDL's website www.evoting.nsdl.com.

- V. Voting rights of the Members for voting through remote e-Voting and voting during the AGM shall be in proportion to shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Thursday, September 23, 2021. A person, whose name is recorded in the Register of Members or in the Register of Beneficial owners (as at the end of the business hours) maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-Voting and voting during the AGM.
- VI. The remote e-Voting facility will be available during the following period:
- Commencement of remote e-Voting: 09:00 A.M. (IST) on Monday, September 27, 2021.
 - End of remote e-Voting: 05:00 P.M. (IST) on Wednesday, September 29, 2021.
 - The remote e-Voting will not be allowed beyond the aforesaid date and time and the remote e-Voting module shall be disabled by NSDL upon expiry of aforesaid period.
- VII. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system during the AGM.
- VIII. The Members who have cast their vote by remote e-Voting prior to the AGM may also attend/participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- IX. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holds shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in mentioning their demat account number / folio number, PAN, name and registered address. However, if he / she is already registered with NSDL for remote e-Voting then he / she can use his / her existing User ID and password for casting the vote.
- X. The Registers required to be maintained under the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode. Members can inspect the same by sending an email to investors@datamatics.com.
- XI. Process and manner of remote e-voting:
- Members are requested to follow the below instructions to cast their vote through e-Voting:
- The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:
- Step 1: Access to NSDL e-Voting system.
- Step 2: Cast your vote electronically on NSDL e-Voting system.

Step 1: Access to NSDL e-Voting system:

A. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Service website of NSDL. Open web browser by typing the following URL : https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A

	<p>new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> 
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Individual Shareholders holding securities in demat mode with CDSL.	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the
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	user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
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Individual Shareholders (holding securities in demat mode) login through their depository participants.	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL.	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30.
Individual Shareholders holding securities in demat mode with CDSL.	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43.

B. Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Now you are ready for e-Voting as the Voting page opens. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
4. Upon confirmation, the message "Vote cast successfully" will be displayed.
5. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
6. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

1. Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc., with attested specimen



signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by email to swapneel@spassociates.co with a copy marked to evoting@nsdl.co.in.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on <https://www.evoting.nsdl.com> to reset the password.
- In case of any queries relating to e-voting you may refer to the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of <https://www.evoting.nsdl.com> or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

- In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investors@datamatics.com.
- In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investors@datamatics.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
- Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
- In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM:

- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not

casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

- Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

In case you have not registered your e-mail address with the Company/ Depository, please follow below instructions for registration of e-mail address for obtaining Annual Report and / or login details for e-voting:

Physical Holding	Send a request to the Registrar and Transfer Agents of the Company, DBSL at investorsqry@datamatics.bpm.com providing Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) for registering email address. Following additional details need to be provided in case of updating Bank Account Details: <ol style="list-style-type: none"> Name and Branch of the Bank in which you wish to receive the dividend, the Bank Account type, Bank Account Number allotted by their banks after implementation of Core Banking Solutions 9 digit MICR Code Number, and 11 digit IFSC Code a scanned copy of the cancelled cheque bearing the name of the first shareholder.
Demat Holding	Please contact your Depository Participant (DP) and register your email address and bank account details in your demat account, as per the process advised by your DP.

20. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM:

- Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password

for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members seeking any information with regard to the annual accounts for 2020-21 or any business to be dealt at the AGM, are requested to send an e-mail on investors@datamatics.com on or before September 23, 2021 along with their name, DP ID and Client ID/ folio number, PAN and mobile number. The same will be replied by the Company suitably.
6. A facility will be provided to the Shareholders attending

the meeting through VC / OAVM, whereby they can pose questions concurrently, during the proceeding of the meeting. Questions raised during the meeting will be responded by the Company suitably. The Company however reserves the right to limit and respond to queries raised by members.

By Order of the Board of Directors

Sd/-
Divya Kumat
EVP, Chief Legal Officer &
Company Secretary

Place : Mumbai
Date : May 26, 2021

Registered Office:
Knowledge Centre, Plot No. 58, Street No. 17,
MIDC, Andheri (E), Mumbai - 400 093.
CIN: L72200MH1987PLC045205
Tel: +91(22) 61020000/1/2 | Fax: +91(22)28343669
Website: www.datamatics.com
Email: investors@datamatics.com



DETAILS OF DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT AT THE AGM PURSUANT TO REGULATION 36 OF THE 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:

Name of Director	Mr. Sameer L. Kanodia
DIN	00008232
Date of birth	January 30, 1975
Age	46 Years
Qualification	Bachelor of Science in Business Administration degree from Bryant University, USA, with a major in Marketing. Master's in Business Administration from Bryant University with a major in Finance.
Expertise in specific functional areas	He has more than 20 years of professional experience and has expertise in Business Management, strategic initiatives, expansion plans & go-to-market strategies.
Date of first appointment on the Board.	January 30, 2008
No. of Meetings of the Board attended during FY 2020-21	6 out of 6 meetings held
Directorship held in other companies (excluding foreign, private and Section 8 Companies and Datamatics Global Services Limited).	Lumina Datamatics Limited Datamatics Robotics Software Limited LDR eRetail Limited
Membership in Committees (This includes the Chairmanships/Memberships only in the Audit Committee and Stakeholders Relationship Committee of all listed and unlisted companies, excluding Datamatics Global Services Limited.)	Audit Committee, Lumina Datamatics Limited
Shareholding in the Company	14,72,858 Equity Shares
Directorship in other listed entities	NA
Disclosure of relationships between directors inter-se	He is son of Dr. Lalit S. Kanodia & Mrs. Asha L. Kanodia and brother of Mr. Rahul L. Kanodia, Directors of the Company.

By Order of the Board of Directors

Sd/-

Divya Kumat
EVP, Chief Legal Officer &
Company Secretary

Place : Mumbai

Date : May 26, 2021

Registered Office:

Knowledge Centre, Plot No. 58, Street No. 17,

MIDC, Andheri (E), Mumbai - 400 093.

CIN: L72200MH1987PLC045205

Tel: +91(22) 61020000/1/2 | Fax: +91(22)28343669

Website: www.datamatics.com

Email: investors@datamatics.com

BOARD'S REPORT

On behalf of the Board of Directors, I am happy to present the 33rd Board's Report of your Company with the Balance Sheet and the Statement of Profit and Loss for the year ended March 31, 2021.

FINANCIAL PERFORMANCE

The Company's financial performance for the year ended March 31, 2021 as compared to the previous financial year ended March 31, 2020 is summarized below:

Particulars	(₹ in millions)			
	Consolidated		Standalone	
	2020-21	2019-20	2020-21	2019-20
Revenue from operations	11,490.53	12,033.24	4,576.63	4,698.17
Operating Profit before Other Income, Interest, Depreciation and Tax	1,422.42	1,235.73	489.45	552.97
Other Income	107.53	205.10	108.60	155.78
Interest	32.44	46.26	29.29	24.35
Profit before Depreciation and Tax	1,497.51	1,394.57	568.76	684.40
Depreciation	394.81	369.97	132.46	133.02
Share of profit of Joint Venture	4.36	12.03	-	-
Profit Before Exceptional Items and Tax	1,107.06	1,036.63	436.30	551.38
Exceptional items	(13.43)	(157.72)	328.69	-
Profit Before Tax	1,093.63	878.91	764.99	551.38
Provision for Taxation	253.52	261.84	201.89	148.25
Profit After Tax	840.11	617.07	563.10	403.13
Share of Minority Interest in Profit for the year	42.65	(20.37)	-	-
Profit for the year	797.46	637.44	563.10	403.13

The Company has prepared the financial statements in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

There are no material departures from the prescribed norms stipulated by the Accounting Standards in preparation of the Annual Accounts. Accounting policies have been consistently applied except where a newly issued accounting standard or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an ongoing basis. The Company discloses consolidated and standalone financial results on a quarterly basis which are subjected to limited review and publishes consolidated and standalone audited financial results on an annual basis.

OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE

The Company is a global Technology, BPM and Digital Solutions organization providing intelligent solutions for data driven businesses to increase productivity and enhance the customer experience.

On a Consolidated basis, your Company achieved revenue from operations of ₹ 11,490.53 million, decrease by 4.5% as compared to ₹ 12,033.24 million in the previous year. The decrease was mainly due to Cignex which was divested on 1st January 2021.

Consolidated Operating Profit before Other Income, Interest, Depreciation and Tax were at ₹ 1,422.42 million as compared to ₹ 1,235.73 million resulted in to an increase of 15.1%

The revenue from operations on a standalone basis is ₹ 4,576.63 million, decrease by 2.6% as compared to ₹ 4,698.17 million in the previous year.

Standalone Operating Profit before Other Income, Interest, Depreciation and Tax were at ₹ 489.45 million as compared to ₹ 552.97 million resulted in to a decrease of 11.5%.



The Group recorded the following non-recurring expenses and income as exceptional items:

Sr. No.	Description	(₹ in millions)			
		Consolidated		Standalone	
		2020-21	2019-20	2020-21	2019-20
1	Impairment of goodwill of Vista, a business segment of the group.	(99.24)	-	(99.24)	-
2	Exchange Income arising on partial redemption of preference shares of Datamatics Global Technologies Limited (Mauritius), a subsidiary.	121.54	-	121.54	-
3	Gain on Divestment of Cignex Datamatics Corporation BVI to third party, a subsidiary.	36.50	-	-	-
4	Exchange Income arising on partial buy back of shares of Lumina Datamatics Inc., a subsidiary.	194.42	-	-	-
5	Impairment charges of assets of Lumina Datamatics GmbH and Lumina Datamatics Analytics and Assessment Limited, subsidiaries.	(266.65)	-	-	-
6	Goodwill Impairment of Duo, a step down subsidiary.	-	(157.72)	-	-
7	Gain on fair value on redemption of preference shares in Datamatics Mauritius and Lumina Datamatics.	-	-	306.39	-
	Total	(13.43)	(157.72)	328.69	-

DIVIDEND

In order to conserve the resources of the Company for growth especially keeping in view the prevailing volatile economic situation, your Directors have decided not to recommend any dividend on the equity shares of the Company for the Financial Year ended March 31, 2021.

The Dividend Distribution Policy of the Company was approved by the Board at its meeting held on May 26, 2021 and is available on the Company's website at <https://www.datamatics.com/about-us/investor-relations/corporate-governance>

TRANSFER TO RESERVES

During the year under review, the Company has not transferred any amount to General Reserve out of the amount available for appropriation. However, credit balance of Profit and Loss of ₹ 2,883.46 million is transferred to Balance Sheet under the head 'Reserves and Surplus.'

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

In terms of Section 125 of the Companies Act, 2013 ("the Act"), unclaimed or unpaid Dividend relating to the financial year 2013-14 is due for transfer on October 22, 2021 to the IEPF established by the Central Government. More details are available on <http://www.datamatics.com/investors/unpaidunclaimed-dividend>.

The Shareholders of the Company who have not received or encashed their dividend warrants are requested to claim the unpaid/unclaimed dividend from the Company before its transfer to IEPF.

The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.

ACCEPTANCE OF DEPOSITS

The Company has not accepted any deposits during the Financial Year 2020-21 in terms of Chapter V of the Act.

SUBSIDIARY COMPANIES

The Company has the following Indian subsidiaries (including the step down subsidiaries) as on March 31, 2021:

1. Cybercom Datamatics Information Solutions Limited
2. Lumina Datamatics Limited
3. Datamatics Digital Limited[@]
4. Datamatics Staffing Services Limited
5. CIGNEX Datamatics Technologies Limited^{\$}
6. LDR eRetail Limited
7. Datamatics Robotics Software Limited
8. RJ Globus Solutions Private Limited*
9. LD Publishing & eRetail Limited[#]

[@] Merged with and into parent Company, Datamatics Global Services Limited w.e.f. December 7, 2020.

^{\$} Divested w.e.f. December 31, 2020

* Under process of striking off.

[#] Striked off w.e.f. March 22, 2021.

The Company has the following overseas subsidiaries (including the step down subsidiaries) as on March 31, 2021:

1. Datamatics Global Services, Inc. (US)
2. Datamatics Infotech Limited (UK)
3. Datamatics Global Services Pty Limited (Australia)
4. Datamatics Global Technologies Limited (Mauritius)
5. Datamatics Global Technologies AG (Switzerland)
6. Datamatics Global Services FZ-LLC (Dubai)
7. Datamatics Global Services Corp. (Philippines)
8. Datamatics Robotics Software Inc. (US)
9. Lumina Datamatics Inc. (US)
10. Lumina Datamatics GmbH (Germany)
11. Lumina Datamatics Assessment and Analytics LLC (US)

12. CIGNEX Datamatics Corporation (BVI)[#]
13. CIGNEX Datamatics, Inc. (Michigan)[§]
14. CIGNEX Datamatics GmbH (Germany)[§]
15. CIGNEX Datamatics Pte. Limited (Singapore)[§]
16. Duo Consulting Inc. (US)*
17. RJ Globus, Inc. (US)
18. RJ Globus Solutions Inc. (Philippines)
19. Datamatics Global Services BV (Netherlands)

Liquidated w.e.f. August 17, 2020.

\$ Divested w.e.f. December 31, 2020.

*Sold on April 1, 2020.

In accordance with Section 129 (3) of the Act, the statement containing salient features of the financial statements of the subsidiaries in Form AOC-1 is given in the financials section.

Pursuant to the provisions of Section 136 of the Act, the Financial Statements of the Company including Consolidated Financial Statements along with relevant documents and separate Audited Financial Statements in respect of subsidiaries are available on the website of the Company.

SHARE CAPITAL

As on March 31, 2021, the paid-up share capital of the Company was ₹ 294.75 million divided into 5,89,49,337 equity shares of ₹ 5/- each fully paid up. During the year, there has been no change in the paid-up share capital of the Company.

The authorized share capital of the Company was ₹ 975.5 million as on March 31, 2020. During the year, the Scheme of Amalgamation for the merger by way of absorption of Datamatics Digital Limited ("the Transferor Company" or "DDL") with and into Datamatics Global Services Limited ("the Transferee Company" or "DGSL"), pursuant to Section 230 to 232 and other relevant provisions of the Companies Act, 2013 and the rules made thereunder, was heard by the Hon'ble National Company Law Tribunal (NCLT) and the final order was passed dated November 6, 2020 approving the scheme. The merger became effective from December 7, 2020 after complying with all statutory requirements.

As per the terms of the order of NCLT, the authorized share capital of ₹ 6 million of DDL shall automatically get merged with that of authorized share capital of DGSL.

Hence, the authorized share capital of the Company as on March 31, 2021 is ₹ 981.5 million.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Retirement by Rotation.

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Sameer L. Kanodia [DIN – 00008232 – Non-Executive Director], retires by rotation at the ensuing Annual General Meeting ("AGM") and being eligible offers himself for re-appointment.

Brief particulars and expertise of directors seeking appointment/re-appointment together with their other directorships and committee memberships have been given in the annexure to the Notice of the AGM in accordance with the requirements of the Listing Regulations and Secretarial Standards.

Declaration by Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they met the criteria of independence as prescribed under Section 149 (6) of the Act and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The Board of Directors of the Company is of the view that all the Independent Directors including those who are appointed / re-appointed during the year under review fulfil the criteria of independence and they are independent from the management of the Company. All Independent Directors of the Company have confirmed that they have registered themselves with Independent Directors' Database of IICA and will appear for the online proficiency test of IICA, if applicable.

MEETINGS OF THE BOARD

During the financial year, six (6) meetings of the Board of Directors were held, the details of which are given in the Corporate Governance Report of the Company, which forms part of this Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed under the Act.

BOARD AND COMMITTEE EVALUATION

The Companies Act, 2013 and SEBI Listing Regulations contains broad provisions on Board Evaluation i.e. evaluation of the performance of (i) the Board as a whole, (ii) individual Directors (including Independent Directors and Chairperson) and (iii) various Committees of the Board.

Pursuant to the said provisions, the Board has carried out the annual performance evaluation of the entire Board, its Committees and all the Directors based on the parameters specified in the Report of Corporate Governance.

A separate meeting of Independent Directors was held to discuss the performance of Non-Independent Directors, Board as a whole and Chairman after considering the views of Executive Directors and Non-Executive Directors.

FUTURE GROWTH STRATEGY

It is one year since COVID-19 was declared a global pandemic and the threat of pandemic is far from over. Though world economy is recovering and the economic outlook is positive, the uncertainties related to the pandemic spread and severity within different regions and corresponding lockdowns can severely impact the businesses across the world.

Like last year, Datamatics priorities continue to be employee well-being, servicing and retaining customers and tightly managing cash-flows.

Employee well-being is of foremost importance for Datamatics. Protecting the health and life of all Datamaticians and their families occupies centre stage. At a company level, Datamatics is implementing all the guidelines recommended by the Government to ensure the safety and well-being of employees and to reduce the spread of the pandemic in the society at large.

Focus on customers: During past one year Team Datamatics worked exceedingly well working from home as well as in hybrid model and ensured continuity of services for our customers. Datamatics has the necessary infrastructure in place to ensure smooth functioning of business. Datamatics was appreciated by several of its customers for its delivery excellence over the past year and has received commendations from its customers.

As customers are increasingly adopting digital technologies to drive their businesses, it has provided an excellent opportunity to partner with them in implementing digital transformation solutions that would enable them to remain competitive. The Company has seen an increased demand from its customers for digital technologies and is fully geared up to service them.

Managing cash-flow and cost optimization continues to be a top priority for the Company. The Datamatics Management team is keeping a keen eye on cash flow, taking all the necessary efforts to actively conserve cash and curtail all discretionary spends.

Looking ahead, Datamatics will continue to focus on technologies, such as Intelligent Document Processing, Robotics, Cloud, Digital Experiences, Analytics, and Artificial Intelligence. These digital technologies are some of the thrust areas for Datamatics and the Company is investing in developing intelligent innovative solutions in these areas.

Datamatics will continue to invest in developing as well as updating its own IP solutions in the digital technology space. Datamatics is expanding its partner network and believes that the evolving partner ecosystem will increase the sales momentum and will ensure smooth implementation and support for Datamatics IP solutions globally.

In addition to digital technologies, Datamatics has been focusing on areas, such as Automated Fare Collection and Smart transport as growth areas in India as well as across the globe and will continue the focus.

Datamatics is seeing an increase in demands in technology spending cycles, both from new and existing clients. This acceleration is expected to remain a key growth driver for the IT industry for the next few years as digital transformation plays out. It is an era of technology upgradation which is creating huge opportunities for the IT industry. Datamatics is also seeing specific opportunities in the process automation and dynamic content management areas.

Overall, Datamatics is well prepared to address the challenge posed by COVID-19 pandemic and remains cautious and at the same time confident of sustaining the growth momentum in coming year.

KEY BUSINESS DRIVERS FOR DATAMATICS IN FY 21

- **Products & Platforms:** Datamatics is investing in developing as well as updating its own IP solutions in the digital technology space. Datamatics products and platforms such as TruBot for Robotic Process Automation, TruCap+ for intelligent data capture, iPM for end-to-end workflow management, TruBI for business intelligence & data visualization and TruFare for Automated Fare Collection, are getting good traction in the market.
- **Partner and reseller channels:** On the back of product strategy, Datamatics continues to invest in expanding its partner network. The evolving partner ecosystem will increase the sales momentum and will ensure smooth implementation and support for Datamatics IP products globally. The partner strategy has now started showing results with some deals being closed and a healthy pipeline.
- **Automated Fare Collection (AFC):** This has been a focus area for Datamatics, with it being the only Indian company to have highly evolved AFC, Smart Gates, and Contactless Gates service offerings. Datamatics sees this as a huge opportunity in US and emerging economies around the world, including India. Currently Datamatics has made substantial progress in implementing AFC solutions for

Mumbai Metro (Line 2A and 7); and Memphis Area Transit Authority (MATA), the public transportation provider for the Memphis area, USA.

- **Digital Solutions – Intelligent Automation, Digital Experiences, Cloud:** Datamatics is well positioned to implement digital technologies, such as Intelligent Document Processing, Robotic Process Automation, Digital Experiences, Analytics, Cloud, and Artificial Intelligence for its customers. Datamatics with its experience and expertise has carved a niche for itself towards becoming a strategic partner to its valued customers and offering intelligent solutions that will enable businesses to further evolve by improving productivity and enhancing customer satisfaction. In FY21, Datamatics continued making significant efforts and investments in strengthening its digital footprint.
- **Account Penetration:** Datamatics has customers across industries; many of these are Fortune 500 companies. Datamatics is focusing on deeper penetration within the customer accounts through account management for cross-selling and up-selling through its integrated sales and marketing efforts.
- **Branding & Marketing:** Datamatics has been investing in marketing and branding efforts for increasing visibility, strengthening digital footprint and geographic reach. In FY21 Datamatics engaged with prospects and customers through virtual seminars and digital campaigns. Datamatics also successfully conducted its virtual Intelligent Automation Summit which was attended by senior professionals from different industries across the globe.

INTELLIGENT AUTOMATION PLATFORM (IAP)

In the wake of pandemic induced lockdowns, work from home, and COVID absenteeism; automation has emerged as a strategic initiative to ensure business continuity. Gartner predicts that by 2022, 65% of organizations that deployed automation capabilities will introduce artificial intelligence (AI) and intelligent document processing (IDP). It further projects hyper-automation market to be of \$25 Billion in 2021 growing at 18.8% CAGR and thereby amounting to \$46 Billion by 2025.

Datamatics Intelligent Automation Platform (IAP) is a unified platform to automate a series of tasks, processes, and unstructured and semi-structured data in documents; addressing the automation needs of the businesses. The IAP combines the capabilities of TruBot for Robotic Process Automation (RPA), TruCap+ for Intelligent Document Processing (IDP) along with artificial intelligence (AI)/machine learning (ML) models developed by Datamatics. This year Datamatics launched a new AI-enabled TruCap+ IDP solution which was recognized as a Major Contender and Star Performer by Everest Group in its IDP PEAK Matrix® 2021.

The company continued to receive several rewards and recognitions for its Intelligent Automation Platform. TruBot RPA was recognised at Gold Stevie Award 2020 for 'Sales & Customer Service' while TruCap+ IDP won People's Choice Stevie Award 2020 for 'Favourite New Products.'

For enhancing the market visibility and to generate new leads, apart from various online events and lead generation activities, Datamatics successfully conducted its virtual Intelligent Automation Summit. This summit was attended by over 1700 senior professionals from different industries across Americas, Europe, Middle East and India regions.

The strong presence in the global events & seminars and

continuous engagement has given a boost to the visibility of Datamatics solutions and the company has got a good coverage by reputed analyst firms including Gartner, Everest, ISG, 451 Research, etc.

- TruBot RPA recognized as a Strong Performer in Forrester Wave for RPA, Q1 2021;
- TruCap+ IDP recognized as a Major Contender and Star Performer in Intelligent Document Processing (IDP) – Technology Vendor Landscape with Products PEAK Matrix® Assessment 2021;
- Datamatics recognized as Major Contender in the Everest Intelligent Process Automation (IPA) – Solutions PEAK Matrix® Assessment 2021;
- TruCap+ IDP recognized as a Leader in SPARK Matrix: Intelligent Document Processing (IDP), 2020;
- Datamatics named as Product Challenger in the ISG Provider Lens™ Intelligent Automation - Solutions and Services - US and UK 2020;
- Datamatics recognized in the Gartner Peer Insights 'Voice of the Customer': Robotic Process Automation 2020;
- TruBot RPA recognized by Everest Group as a Major Contender in its Robotic Process Automation (RPA) Peak Matrix 2020;
- Datamatics acknowledged as a key player in RPA market in the report 'Datamatics looks to broaden its footprint in the RPA market' by 451 Research.

QUALITY

Quality is the sine qua non for your company. A relentless focus on Customer delight, continuous process improvements and lean and efficient processes have been the hallmarks of the company for years. This is what gives us an edge over our competition. A look at the average duration a customer has been happily associated with Datamatics is an eloquent testimony to our untiring commitment to quality. In the present challenging and constraining Covid 19 times, our team members stepped up their efforts and left no stone unturned to ensure that the customers continue to receive same level of stellar support as the previous normal times. Quality at Datamatics is a legacy that is being ably carried forward by the present team as well. The industry has also been recognizing the company's performance. This year too, your company and its personnel featured prominently at various platforms by winning prestigious awards.

Your Company is the first and the only I.T. Company to have won the "International Asia Pacific Award" for Quality in services sector. The Award was won against competition from hundreds of companies from 38 countries spread across the world, including the US, Japan, Australia, New Zealand, Russia, Canada, China, Israel, South Korea, Peru and Mexico. Your Company also won the prestigious "IMC IT Award for Quality" in January 2014. We have won the Global Quality Challenge award of one of the fortune 100 organizations for the ninth time.

Further significant initiatives of the Company towards quality are:

1) Certifications:

The Company's quality management systems (QMS) that forms the backbone of all the processes and the way day-to-day operations are carried out is a very comprehensive and robust standard that draws from a host of international standards and

benchmarks. This includes ISO 9001:2015, SEI CMMI, ITIL, Agile, ISO 20000 and so on. The QMS has been successfully assessed and certified for ISO 9001:2015, CMMI (Dev) Ver 1.3 high maturity level L4 and CMMI (Svc) Ver 1.3 L3. During all the surveillance periodic assessment audits, there has been no major non-conformity observed. All the new centers that we added in the financial year have also been successfully assessed and certified to the above international standards.

As you are aware, with the growing complexity of the digital economy and the present COVID 19 situation where we have been forced to switch significantly to work from Home model, the threat on the information security and data also increases in terms of complexity and impact. Your company is fully aware of this challenge and we constantly keep upgrading our information security management systems (ISMS). Our operations and ISMS have been successfully assessed and are compliant to ISO 27001:2013, SSAE 16 SOC 1 and SOC2 requirements. As you would be aware, these standards are extremely important for Financial, Insurance and Healthcare industries.

Our commitment to ensure a robust information security management system for our customers has been bolstered by these certifications. We have implemented Security Information and Event Management (SIEM) solution as well which will further strengthen the Information security management. During the COVID 19 lockdown and remote working methodology, there has been a palpable increase in the threat to information and data security. Pre-empting such threats we have secured our networks further, addressed end point vulnerabilities and implemented mechanisms and tools to address advanced persistent threats (APTs) from all kind of malware attacks. There is an increased focus on employee awareness around information security as well for proactive and preventive measures to thwart any malicious attack. There is a conscious thrust on risk management as an organization strategy and the risks and mitigation plans are reviewed regularly at all pertinent levels.

A lot of thrust has also been put in enhancing the overall project management skills of our project managers through formal PMP certification from PMI, USA.

GDPR REGULATIONS AND DATA PRIVACY ACT

As you would be aware, General Data Protection Regulations (GDPR), the most important regulation around data privacy in the European Union region came into force a couple of years back. All our contracts with the customers in the EU region have been revised to incorporate the requirements of GDPR. Our processes have been further strengthened around the GDPR requirements. A dedicated Data Protection Officer (DPO) has been appointed to address issues, if any, raised around GDPR compliance. All the relevant employees and management have been trained on GDPR principles and requirements. GDPR awareness is an integral part of the employee induction program.

We are also gearing our processes to address all the requirements of the Data Privacy Act of India. We plan to get assessed and certified to Data Privacy standard, ISO 27701.

2) Customer Satisfaction Tracking:

As you're aware, your company conducts customer satisfaction surveys at the end of every major milestone to assess customer's perception of our services. The wholly automated survey asks the customers their feedback on a range of parameters that measure their near and long term perception about the company.



We feel proud to share with you that we continue a stellar performance on this count. Your company scored 5.31 on overall satisfaction rating on a scale of 1-6, 1 being the lowest and 6 being the highest. Another highlight of this survey has been that 87.3% of the respondents have rated us in the top 2 boxes of the rating i.e. extremely satisfied and Delighted. 52 customers have rated us as delighted on all the parameters. We believe that in the modern environment Customer Experience i.e. the impression that our customers make during their interaction with us, is extremely critical. Customer Experience, apart from the feedback on the hard deliverables, is an integral part of these surveys. We are glad to share that the results are extremely positive on this front.

Apart from this, the more frequent and real time Customer Feedback Capture mechanism that captures feedback through other formal and informal channels also reports an improving trend in the customer sentiment towards our processes and performance.

3) Continuous Improvement - Lean Six Sigma:

The Company has a mature and well-entrenched continuous improvement program. This program is based on the principles of Lean, Six Sigma and Kaizen. The program focusses on making our processes more efficient, productive, accurate and cost effective. The program continues to deliver significant benefits to the organization with improvements in productivity, efficiency, accuracy and customer satisfaction. Overall 445 Lean Six Sigma projects and 1950 Kaizens were successfully completed since 2007.

The Company has about 30 Six Sigma Green Belt and 55 Six Sigma White Belt certified professionals along with 6 Six Sigma Black Belt and 1 Six Sigma Master Black Belt certified professionals. The Company spent over 2100 person hours of training around continuous improvement in the FY 2020-21.

HUMAN RESOURCE MANAGEMENT

The year 2020-21 saw Corporate India severely hit by COVID -19 and global lockdowns, and we had to rapidly shift gears, to transform how we support our employees, clients, stakeholders and continue 'Business as Usual'. The Human Resource function the 4C strategy of Collaborate, Communicate, Connect and Contribute to address the dynamic, unprecedented scenario, and lead transformation, all the while being '(Socially) Distanced yet (Mentally) connected with the employees. The global headcount of employees as on March 31, 2021 was 10,000 plus.

At Datamatics, we have a significant number of our employees, offering technology support to companies that cater to essential services. It was imperative for us to ensure the business continuity especially for these functions, even in lockdown period, irrespective of the challenges. It helped us to have a pre-existing Work From Home (WFH) policy, but the sudden crisis definitely required us to re-think, re-assess and re-work on existing company norms, and within a very short span.

In many locations, we moved to 100% WFH mode overnight with our global Admin and IT Operations support, to provide the infrastructure to continue work. In Philippines, where there was immediate strict lockdown, some employees were provided accommodation for more than 15 days in hotels near our offices, so they were safe and well taken care of. Indian nationals travelling abroad were brought back home, on priority and employees in need of immediate assistance, be it financial or housing were provided (at times, even using personal network to ensure support). While announcing part-closure of offices in US, as per local regulatory norms, we ensured work continues for

every business and client deliverables are honoured.

TALENT ACQUISITION

'Honoring Commitments' the value system at Datamatics was the guiding light in all our activities - all offers made before lockdown continued to be honored through e-onboarding and remote support. Open positions were regularly shared through mails and social media, thereby generating hope for Talent in the otherwise gloomy job market.

In spite of challenges of lockdown, the Talent Acquisition Team ensured timely onboarding at the right cost & quality across diverse functions, skills and geographies. The team has been using innovative methods of hiring with an extensive focus towards mapping, networking & social media for niche & leadership hiring. The team worked seamlessly the entire year from WFH and WFO model and swiftly adapted to the new normal.

The team explored and expanded the alternative talent sourcing medium i.e. gig economy, freelancers and part-timers for one of the rapidly growing lines of service (CMS), and also managed to position a large number of resource pool employees to various projects in quick time. The team partnered with prestigious educational institutions like IIT Kharagpur, IIM Rohtak, IIM Jammu & IIM Amritsar for internship and invested immensely in campus connects. The association would help the organization in acquiring top new talent in the future.

The team has stayed ahead of the curve, with eminent industry practices relevant to resume sourcing, assessments, interviewing, background verification, negotiations and candidate engagement, and the efforts got recognized end of the year by none other than NASSCOM. They featured Datamatics talent acquisition practices in their Best practices compendium, which also featured some big names in the industry. Innovation has been the guiding principle towards relentless improvement, and the team has employed avant-garde strategies like brand-driven job posts, video interviewing, passive candidate engagement, research, social media usage, industry intelligence and effective referral programs. It has also been a continuous effort to establish Datamatics as an Employer of Choice, through powerful messaging around the key Employee Value Proposition.

LEARNING & DEVELOPMENT

Learning continued throughout the year, despite the challenges, albeit in a new avatar. Corporate L&D team continued to collaborate with all locations in enabling, enriching, and co-creating continuous learning and improvement culture. Some key initiatives were as follows:

- Beyond conventional learnings: Various interventions like LWS: Learning Web Series, LT: Leadership Talks, H2H: Heart-to-heart, LYS- Lead Your Ship were executed for impactful learning. In all, 459 online training sessions were executed to have robust learning culture with 67% increase in participation as compared to last year.
- Digital Learning: We strengthened our LMS platform which offers 100+ wide range of learning modules from compliance, behavioural, technical, Sales sessions etc.
- Learning Mascot- Datamatics DAT (Develop-Aspire-Transform): We launched Datamatics DAT to provide every employee with their own learning buddy to guide them through their learning journey.
- Compliance focus: Learning at Datamatics continues to

stay compliant by successfully completing the capability maturity model integration CMMi certification level 3 as well as surveillance audit for information security management system ISMS.

Learning & Development has clocked 281,563 person hours in the year 2020-21, 3% higher than the year before, with an average feedback of 4.1 out of 5.

TALENT MANAGEMENT

Talent Management vertical within HR evolved into an HR Centre of Excellence, encompassing the important agenda of Diversity & Inclusion, Employer Branding and CSR while continuing to support all facets of 'Talent' internally at Datamatics.

- Key Talent conversations were initiated by piloting Internal Capability Study, robust performance management process with customized Individual Development Plan creation, performance feedback with concrete steps, for all employees who appeared for Promotion Board. KRA-KPIs were chalked out for leadership team with clear accountabilities, in line with changing expectations, to build a performance-driven culture.
- Through the year, initiatives and activities were conducted keeping in mind inclusion on the "Talent@Home," i.e. family members of Datamaticians - Workshops on Emotional Resilience during Covid times for all women Datamaticians and family members, #heforsheathome a UN Women initiative highlighting reversal of gender norms, complimentary Career Guidance Assessment for children among others.
- Through "Welcome Back" initiative, across global locations, close to a 100 women started their post Maternity Second innings.
- (Wo)Mentoring, i.e. Women Mentoring Women, with their insights and wisdom, was launched for all women in mid-management & above in Datamatics.
- The team initiated and maintained regular positive communication, ensuring visibility across all existing channels, including themes like D&I, CSR & Mental Health (celebrating World Mental Health Day by participating in Mind Matters Week).

CORPORATE HR

Human resources oversee the most important component of a successful business - a productive, thriving workforce. The fundamental belief is people are assets, whose work is directly related to current and future business success. The HR Business Partners in every location were instrumental in initially facilitating the WFH/ WFR (Work from Home / Work from Remote) model. As the Govt. directives changed, the HRBPs played a crucial role in promoting the Hybrid model at the workplace.

The key initiatives undertaken during the year are highlighted as follows:

- As a special measure to engage with employees across the globe, HR launched a Voice of Employee e-platform "(Socially) Distanced yet (Mentally) Connected" to connect with the employees of individual businesses. Through the themes of Recognition, Appreciation, Emotional well-being, employees felt more aligned to the organization in tough times. The HRBPs were able to communicate with the employees on a regular interval, ensuring that the organisation had the Pulse of the people;

- Select employees were conferred titles as Datamatics Warheroes, Extra Milers and Client Champs who went over and above their call of duty to honor the commitments made to clients and ensured seamless 'Work from Home' for all employees;
- EPP apprenticeship program was extended to Mumbai in Oct 2021, as a part of our skill development agenda in alignment with Govt. norms;
- Automation initiative of critical processes like Joining and Exit, was launched during the year. New Joiner Portal (NJP) and Employee Separation Module (ESM) are now being used across the India locations;
- HR integration of DX with DGSL was successfully completed in Jan 2021;
- HR integration of RJ Globus with DGSL is on track;
- The organisation launched Employee Wellness programs and discounted schemes to address Social, Emotional, Physical, Financial and Environmental well-being;
- Results of Climate survey socialized across businesses and employee groups helped draw an action plan that cut across different levels i.e., Manager, LOS, and Organisation;
- The Company made a special contribution for performers in Datamatics, to help them earn the coveted title of Datamatics Corona Warriors. Link - <https://fight-corona.net/datamatics>.

US and Overseas HR Operations

US has been a very strategic and critical geography for us, contributing to significant chunk of the business. Throughout the year, Team HR in USA took robust strides to ensure that core Datamatics fabric remained consistent in the workforce.

With excellent execution of end-to-end employee lifecycle processes from hire to retire, they kept the workforce aligned to the organization and stayed connected and engaged throughout.

Though different states within US had different regulatory guidelines, that were extremely dynamic in nature, the team handled the transition very well, of enabling employees to work from home and ensure business continuity. With all Overseas employees, HR business partners maintained close collaboration and responded promptly for all their needs.

Philippines Human Resource Operations

BPO Industry remains the pillar of Philippine economy and continues to provide employment opportunities amid the pandemic. This contributed to the slight decrease in unemployment rate according to the Philippine Statistic Authority. RJ Globus was able to cope up with the demand to fill up manpower requirements despite steep competition amongst the BPO players. The highlight of the year was, over 500 project based employment and over 400 full time positions were filled up for FY 21.

While acquiring Talent, the team stayed ahead of the curve throughout the year. The Talent Acquisition team was able to pull off business demands of bulk hiring with almost 90% target achievement, for several campaigns with minimal fallouts. The right talent was hired for the organization, with rigorous evaluations and engaging on-boarding process.



After the strategic acquisition of RJ Globus, Philippines by Datamatics, significant efforts have been undertaken, to integrate the operations across entities and the efforts got strengthened with time. In spite of the severe nature of the pandemic, the entire Philippines HR team worked with utmost efficiency, as a well-oiled machinery to manage employee lifecycle operations and corporate HR functions.

With Employee Engagement being a key focus area, the team managed to have a motivated employee base with an energetic new hire orientation program to quickly align the newcomers with the organization. The corporate Voice of Employee initiative of '(Socially) Distanced yet (Mentally) Connected' was rolled out for Philippines as well and employees participated wholeheartedly. Employee communication forum led by HR eg HR Talk, HR Counselling and Focus Group Discussions, guided the employees to course-correct, by identifying their work problems, causes and solutions. The most awaited event of the year was the Annual Recognition Party, an event that had a fine balance of recognizing and rewarding exceptional performance, as well as in-house talent entertaining the audience throughout. Compared to last year, the only difference was, the entire event was online.

However, the spirit of employees was still at an all-time high. As a Socially Responsible Corporate, Datamatics Philippines was always there to help those in need. From the victims of typhoons to the evacuees of Taal, the employees led the way in helping the crisis-hit regions, in their own small way. The annual outreach programs touched the lives of many in the society very positively.

CORPORATE SOCIAL RESPONSIBILITY

In these unprecedented times, as a socially responsible Corporate, we have focused our efforts to help fight Corona with our employees' support and leverage our technical expertise. Some notable initiatives were as follows:

- Support the Underprivileged by Slum Adoption & enable long term financial support – Datamatics partnered with the Wockhardt Foundation by supporting its Anaaj+ program. We catered to the needs of over 1000 families affected by COVID 19, by providing groceries & hygiene essentials. We also looked at possible employment opportunities for the youth (who are currently unemployed) by conducting a Talent Pool study;
- MCGM Community Care, Emergency Response Center for Migrants – Datamatics;
- Offered MCGM (Municipal Corporation of Greater Mumbai) support via its expertise in managing call centres and data analytics. Datamatics took over the MCGM Helpline (the primary touchpoint for providing food, shelter, and medicines to all needy, migrant, and below-poverty-line population) and set up a brand-new and very efficient digital call centre providing daily 12-hour support with the help of skilled Datamaticians. To complete the entire loop, Datamatics and Annam & other renowned NGOs donated around 25,000 grocery kits. During this period, Datamatics enabled MCGM to reach over half a million beneficiaries, including the migrant population, without ration cards;
- Extend a helping hand to front liners in tier 3 cities – Datamatics donated Masks and Automatic Hand Sanitizer to Police department, Puducherry, to support their services and help them stay protected while protecting us. The bond got strengthened with the Authorities, with them carrying out physical safety drills, cyber security sessions for us during the year;

- Partner with NGOs like ANEW & Magic Bus and 'not for profit' organizations to provide employment to the underprivileged & marginalized;
- Calamity Response & Community Care (Overseas):
 - a. Calamity Outreach Program – Typhoon Vamco brought on the worst flooding in Metro Manila since Typhoon Ketsana. Datamatics collaborated with employees of our client Domu Brands and took the initiative to do a fund raising program and organize an outreach for the residents of San Rafael, Rodriguez, Rizal;
 - b. We Care and Share Program – Datamatics Philippines team initiated a project to provide a safe and sustainable water source to the residents of the Toclong Kawit Cavite Community.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company is actively involved in ensuring that the employees/resources are aware of the provisions of the POSH Act and rights thereunder.

The Company has constituted an Internal Committee (IC) as required under POSH Act and the constitution of the committee is in compliance with the said Act.

The Company has also adopted Anti-Sexual Harassment Policy, in line with requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and is fully committed to uphold and maintain the dignity of every woman executive working in the Company.

Number of complaints pending as on the beginning of the financial year: 0

Number of complaints filed during the financial year: 0

Number of complaints pending as on the end of the financial year: 0

New module on POSH, incorporating content with online forms of harassment and their prevention, will be introduced soon for employees.

AWARDS & ACHIEVEMENTS

During the year, the Company (including Subsidiaries & Group Companies) and its employees received several awards and recognition, some of which are:

- Datamatics joins the illustrious WEP Signatories (UN Women and UNGC Initiative), supported globally by the EU Union and ILO (International Labour Organization), becoming the 76th Indian organization;
- CEO recognized as Gender Diversity Champion by UN Women India, on their social media network;
- Datamatics won 'Best D&I Award for Gender Diversity and Empowerment' and CEO of the Company was awarded in the category of 'Best D&I CEOs of the Year' at The Best Diversity & Inclusion Practices of Asia Study, Seminar and Awards 2020 LNOD awards;
- Datamatics received 'Special Covid-19 Award' at MRSI Golden Key Awards (GKA) 2020;
- In Public-Private partnership event, graced by State dignitaries, Datamatics won "India Corona Warrior Wockhardt Award.";

- Featured in Talent Acquisition Best Practices compendium, Datamatics was recognized as a significant contributor towards Gender agnostic D&I best practices by NASSCOM (The trade association of the Indian IT BPM industry).

PARTICULARS OF EMPLOYEES:

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Act read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as **"Annexure – A"** to this Report.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars drawing remuneration in excess of the limits set out in the said Rules forms part of the report. However, having regard to the provisions of the first proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the Members of the Company. The said information is available for inspection at the Registered Office of the Company during the working hours. Any member interested in obtaining such information may write to the Company Secretary, at the Registered Office and the same will be furnished on request.

DATAMATICS' INSIDER TRADING POLICY FOR REGULATION OF TRADING BY INSIDERS

Datamatics has formulated an Insider Trading Policy for Directors and employees in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The policy lays down guidelines, which advises the insiders on procedures to be followed and disclosures to be made, while dealing with the Company's securities. The policy clearly specifies, among other matters, that "Designated Persons" including Directors of the Company can trade in the Company's securities only when the 'Trading Window' is open. The trading window is closed during the time of declaration of financial results, dividend and other important events as mentioned in the policy.

The Insider Trading Policy for Regulation of Trading by Insiders is available on our website at <https://www.datamatics.com/about-us/investor-relations/corporate-governance>.

STRUCTURED DIGITAL DATABASE FOR PREVENTION OF INSIDER TRADING PRACTICE

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, ('SEBI PIT Regulations') as amended, the Company has customized a secure Insider Trading Compliance Tool (InsiderLens software) which is maintained in house to prohibit insider trading activity. The Company has in place a structured digital database wherein details of persons with whom UPSI is shared on a need to know basis and for legitimate business purposes is maintained with time stamping and audit trails to ensure non-tampering of the database.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- in the preparation of the annual accounts for the year ended March 31, 2021, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- they have selected such accounting policies and applied

them consistently and made judgements 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 the year ended on that date;

- they have taken proper and sufficient care for the maintenance of 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;
- they have prepared the annual accounts on a 'going concern' basis;
- they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

SECRETARIAL STANDARDS

The Company has complied with secretarial standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

Secretarial Auditor

The Company had appointed Mr. Tushar Shridharani, Practicing Company Secretary, to conduct the secretarial audit for the financial year 2020-2021. The Secretarial Audit Report for the financial year ended March 31, 2021 is annexed as **"Annexure – B"** to this Report.

As per the requirements of the Listing Regulations, Mr. Tushar Shridharani, Practicing Company Secretary, have undertaken secretarial audit of Lumina Datamatics Limited, material subsidiary of the Company for the FY 2020-21. The Audit Report confirms that Lumina Datamatics Limited have complied with the provisions of the Act, Rules, Regulations and Guidelines and that there were no deviations or non-compliances.

INFORMATION ON AUDITORS' OBSERVATIONS

1) Statutory Auditors:

The report of the Statutory Auditors on Standalone and Consolidated Financial Statements forms part of this Annual Report. There are no qualifications, reservations or adverse remarks made by the Statutory Auditors in their report.

2) Secretarial Auditor:

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

STATUTORY AUDITORS

Under Section 139 of the Companies Act, 2013 and the Rules made thereunder, it is mandatory to rotate the statutory auditors on completion of the maximum term permitted under the provisions of Companies Act, 2013. In line with the requirements of the Companies Act, 2013, M/s. M. L. Bhuwania and Co. LLP, Chartered Accountants (Firm Registration No. 101484W/W100197) were appointed as the Statutory Auditors of the Company to hold office from the conclusion of 29th Annual General Meeting till the conclusion of 34th Annual General Meeting, subject to ratification by Shareholders at each AGM. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018.

During the year, the statutory auditors have confirmed that they



satisfy the independence criteria required under the Companies Act, 2013 and other applicable provisions of law.

MAINTENANCE OF COST RECORDS AS SPECIFIED BY THE CENTRAL GOVERNMENT UNDER SUB-SECTION (1) OF SECTION 148 OF THE COMPANIES ACT, 2013

As per provisions of sub section (1) of Section 148 of the Companies Act 2013, the Company is not required to maintain cost records.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

No frauds were reported by auditors under sub-section (12) of Section 143 of the Companies Act, 2013.

CORPORATE GOVERNANCE

Pursuant to the SEBI Listing Regulations, Report on Corporate Governance for the year under review, is presented in a separate section. A certificate from M/s. M. L. Bhuwania and Co. LLP, confirming compliance of conditions of Corporate Governance, as stipulated under the SEBI Listing Regulations, is annexed to this report.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the company to which the financial statements relate and the date of this report.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis Report for the year under review, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is part of this annual report.

COMPOSITION OF THE COMMITTEES OF THE BOARD

There are currently five Committees of the Board, as under:

- Audit Committee;
- Nomination and Remuneration Committee;
- Stakeholders' Relationship Committee;

- Corporate Social Responsibility Committee;
- Risk Management Committee.

Details of all the Committees along with their charters, composition and meetings held during the year, are provided in the "Report on Corporate Governance", a part of this Annual Report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013, are provided in the Notes to Financial Statements, which forms part of this Annual Report.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts, arrangements and transactions entered by the Company with related parties during FY 2020-21 were in the ordinary course of business and on an arm's length basis. During the year, the Company did not enter into any transaction, contract or arrangement with related parties that could be considered material in accordance with the Company's policy on related party transactions.

Accordingly, the disclosure of related party transactions in Form AOC-2 is not applicable. However detailed disclosure on related party transactions as per IND AS-24 containing name of the related party and details of the transactions have been provided under financial statements.

The Company has formulated a Policy on Related Party Transactions which is also available on Company's website at <http://www.datamatics.com/investors/corporate-governance>. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

POLICIES

The SEBI Listing Regulation mandated the formulation of certain policies for all Listed Companies. In compliance with the above requirement, all our policies are available on our website (<http://www.datamatics.com/investors/corporate-governance>). The policies are reviewed periodically by the Board and updated based on need and new compliance requirement.

In addition to its Code of Conduct, key policies that have been adopted by the Company are as follows:

Name of the Policy	Brief Description	Web Link
Whistleblower/Vigil Mechanism	The Company has formulated and adopted a Whistleblower Policy/Vigil Mechanism for its Directors and Employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct and ethics.	https://www.datamatics.com/about-us/investor-relations/corporate-governance .
Corporate Social Responsibility (CSR) Policy	The Policy outlines the Company's strategy for bringing about a transformation in the quality of life of people in the society through social upliftment programs. The CSR activities of the Company will focus on Employability, Education & Training, Health and Environment".	https://www.datamatics.com/about-us/investor-relations/corporate-governance .
Policy on Material Subsidiaries	The Policy is framed to determine Material subsidiaries of the Company and to provide governance framework for such subsidiaries of the Company.	https://www.datamatics.com/about-us/investor-relations/corporate-governance .
Related Party Transaction Policy	Related Party Transactions Policy is framed to ensure the proper approval and reporting of transactions between the Company and its related parties.	https://www.datamatics.com/about-us/investor-relations/corporate-governance .

Name of the Policy	Brief Description	Web Link
Insider Trading Policy	The Policy provides the framework in dealing with the securities of the Company.	https://www.datamatics.com/about-us/investor-relations/corporate-governance
Policy for determination of Materiality of Events	The Policy is framed to provide an overall governance framework for determination of materiality of events / information and to ensure timely and adequate disclosures of material events / information fully, fairly, correctly and transparently to the concerned authorities.	https://www.datamatics.com/about-us/investor-relations/corporate-governance
Document Retention and Archival Policy	The Policy is framed to outline the guidelines for retention and archival for corporate records / documents of the Company.	https://www.datamatics.com/about-us/investor-relations/corporate-governance
Dividend Distribution Policy	This policy sets out principles to determine the amount that can be distributed to equity shareholders as dividend. The policy is framed to achieve dual objectives of appropriately rewarding shareholders through dividends and retaining capital in order to maintain a healthy capital structure to support its future capital and growth requirements.	https://www.datamatics.com/about-us/investor-relations/corporate-governance

INTERNAL FINANCIAL CONTROLS

The Board has adopted policies and procedures for ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

The Audit Committee is responsible for implementing and maintaining the internal control and periodically reviews the adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems.

The Company has adopted accounting policies which are in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

RISK MANAGEMENT POLICY

Risk Management is embedded in Datamatics operating framework. The Company has a duly approved Risk Management Policy, which lays down broad guidelines for the appropriate authority to identify, assess, categorize and prioritize risks in a timely manner and formulate plans for mitigation of such risks.

Pursuant to SEBI (Listing Obligation and Disclosure Requirements) (Second Amendment) Regulations, 2021, the Risk Management Committee was reconstituted to frame, implement and monitor the risk management policy for the Company. The composition of the Committee is in conformity with the Listing Regulations, with majority members being Directors of the Company. The Committee shall be responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major

risks identified by the businesses and functions shall be systematically addressed through mitigating actions on a continuing basis.

The details of composition of the Risk Management Committee and its terms of reference, is provided in the section titled 'Report on Corporate Governance', which forms part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company during the financial year 2020-21 are annexed as "Annexure - C" to this Report in the format prescribed in the Companies (Corporate Social Responsibility Policy), Rules, 2014.

SCHEME OF ARRANGEMENT

The Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT') vide its Order dated November 6, 2020 had approved the Scheme of Amalgamation for the merger by way of absorption of Datamatics Digital Limited ("the Transferor Company" or "DDL") with and into Datamatics Global Services Limited ("the Transferee Company" or "DGSL"), pursuant to Section 230 to 232 and other relevant provisions of the Companies Act, 2013 and the rules made thereunder.

DGSL and DDL have complied with all the requisite filings as per directions of the National Company Law Tribunal, Mumbai Bench ("NCLT") and the merger became effective from December 7, 2020.

SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant/material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future.

ANNUAL RETURN

Extract of the Annual Return for the Financial Year ended on March 31, 2021 as required by Section 92(3) of the Act and Rule



12(1) of the Companies (Management & Administration) Rules, 2014 is annexed as **"Annexure D"** to this Report and can be accessed at www.datamatics.com under the 'Investor' Section.

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

Details relating to conversation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, are mentioned hereunder:

A. CONSERVATION OF ENERGY:

- i) Our Company being in IT & ITeS industry, our operations are not energy intensive. Adequate measures have been taken to conserve energy.
- ii) The Company has not taken any steps for utilising alternate sources of energy.
- iii) There were no additional capital investment on energy consumption equipments and proposals if any, being implemented for reduction of consumption of energy as the nature of the Company's operations entails a very low level of energy consumption.

B. TECHNOLOGY ABSORPTION:

- i) Every effort is made by the Company to update the technological skills of its technical staff in order to ensure that they possess adequate skills to enable them to service the Company's clients.
- ii) The Company has not imported any technology during the year under review.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign Exchange Earned in terms of Actual Inflows:
₹ 2,514.49 million.

Foreign Exchange Outgo in terms of Actual Outflows:
₹ 291.97 million.

BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report for the year under review, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is part of this annual report and is annexed as **"Annexure – E"** to this Report.

ACKNOWLEDGEMENTS

Your Directors' place on record their deep appreciation to employees, customers, shareholders, vendors, bankers, financial institutions, Governments authorities and other stakeholders at all levels for their hard work, dedication and commitment. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

For and on Behalf of the Board

Dr. Lalit S. Kanodia
Chairman
DIN: 00008050

Place : Mumbai
Date : May 26, 2021

Annexure – A

TO THE BOARD'S REPORT

Information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as under:

- (I) Ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for the financial year 2020-21:

Sr. No.	Particulars	Ratio to Median remuneration
Executive Directors		
1.	Dr. Lalit S. Kanodia	70.93
2.	Mr. Rahul L. Kanodia	72.06
Non-Executive Directors		
3.	Mr. Sameer L. Kanodia	-
4.	Mr. R. K. Saraswat	2.65
5.	Mr. Dilip D. Dandekar	2.65
6.	Mrs. Asha L. Kanodia*	2.19
7.	Mr. Vinay M. Aggarwal	2.65
8.	Mrs. Mona Bhide	2.36

- (II) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial officer and Company Secretary in the financial year 2020-21:

Sr. No.	Particulars	% Increase in remuneration in the FY
1.	Dr. Lalit S. Kanodia	5.30
2.	Mr. Rahul L. Kanodia	(-) 3.46
3.	Mr. Sameer L. Kanodia	-
4.	Mr. R. K. Saraswat	34.41
5.	Mr. Dilip D. Dandekar	58.54
6.	Mrs. Asha L. Kanodia*	38.06
7.	Mr. Vinay Agarwal	34.41
8.	Mrs. Mona Bhide	1,280.00
9.	Ms. Divya Kumat, Company Secretary	17.24
10.	Mr. Sandeep Mantri, Chief Financial Officer	20.73

*Mrs. Asha L. Kanodia was appointed as Non Executive director w.e.f. September 10, 2020.

- (III) The percentage decrease in the median remuneration of employees in the financial year: 6.10%
- (IV) The number of permanent employees on the rolls of Company: 6,072 Employees.
- (V) The explanation on the relationship between average increase in remuneration and Company performance:

On an average, employees received an annual increase of 9% in India and 2% in Overseas. The individual increments varied from 1% to 15%, based on individual performance.

Employees outside India received wage increase varying from 0.5% to 2.5%. The increase in remuneration is in line with the market trends in the respective countries. In order to ensure that remuneration reflects Company performance, the performance pay is also linked to organization performance, apart from an individual's performance.

- (VI) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company;

Particulars	Value
Aggregate remuneration of Key Managerial Personnel (KMP) in FY 2021 (₹ in Million)	46.87
Revenue (₹ in Million)	4,576.63
Remuneration of KMPs (as % of Revenue)	1.02%
Profit before tax (PBT) (₹ in Million)	764.99
Remuneration of KMP (As % of PBT)	6.13%

- (VII) Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Particulars	March 31, 2021	March 31, 2020	% Change
Market Capitalization (₹ in Million)	6,799.81	2,419.87	181.00%
Price Earnings Ratio	12.08	3.79	218.59%

- (VIII) Percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

Particulars	March 31, 2021	IPO date (May 07, 2004)	% Change
Market Price (BSE)	114.95	110	4.50%
Market Price (NSE)	115.35	110	4.86%

- (IX) 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:

The average annual increase was around 9%.

Increase in the managerial remuneration for the year was 6.8%.

- (X) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company:



Annexure - A (Contd.)

TO THE BOARD'S REPORT

(X) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company:

Particulars	Dr. Lalit S. Kanodia	Mr. Rahul L. Kanodia	Mr. Sandeep Mantri	Ms. Divya Kumari
Remuneration in FY 2021 (₹ in Million)	14.54	14.77	7.96	9.40
Revenue (₹ in Million)		4,576.63		
Remuneration as % of revenue	0.32%	0.32%	0.17%	0.21%
Profit before tax (PBT) (₹ in Million)		764.99		
Remuneration of KMP (As % of PBT)	1.90%	1.93%	1.04%	1.23%

(XI) The key parameters for any variable component of remuneration availed by the Directors:

The key parameters for the variable component of remuneration to the Directors are approved by the Board as per suggestions of the Nomination and Remuneration Committee.

- a) **Commission to Chairman & Vice – Chairman:** The Commission payable to Dr. Lalit S. Kanodia and Mr. Rahul L. Kanodia is upto 1% of the net profits of the Company as computed in accordance with the provisions of the Companies Act, 2013.
- b) **Commission to Non – Executive Directors:** The Members have, at the AGM of the Company held on August 13, 2019 approved the payment of commission upto the limit of 0.25% of its net profits of the Company as computed under the

applicable provisions of the Act. The said commission is decided each year by the Board of Directors and distributed amongst the Non-Executive Directors based on their attendance and contribution at the Board and certain Committee meetings, as well as the time spent on operational matters other than at meetings.

(XII) There are no employees who receive remuneration in excess of the highest paid Director of the Company.

(XIII) Affirmation that the remuneration is as per the remuneration policy of the Company:

Pursuant to Rule 5 (1) (xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Remuneration Policy of your Company.

Annexure – B

TO THE BOARD'S REPORT

TUSHAR SHRIDHARANI

B. Com., LL.B., F.C.S.

Tel. : (022) 2208 5764 / 2208 5765

Email : tushar@tusharshri.com

Web. : www.tusharshri.com

10, New Marine Lines

417, Jolly Bhavan No. 1

Mumbai – 400 020

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2021

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

To,
The Members - Datamatics Global Services Limited
Knowledge Centre
Plot No. 58, Street No. 17, MIDC
Andheri (East)
Mumbai – 400 093.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Datamatics Global Services Limited ("the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021 ("Audit Period") 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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Audit Period according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder.
- (ii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder.
- (iii) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:
 - (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 (Issue of Capital and Disclosure Requirements) Regulations, 2018.

- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
- (f) 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.
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

I have also examined compliance with the applicable regulations of the following:

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Audit Period; the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above to the extent applicable.

During the Audit Period; no law that specifically was applicable to the Company.

I further report that:

The Board of Directors of the Company is duly constituted with the proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and notes on agenda were sent 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.

During the Audit Period, all decisions at Board Meetings and Committee Meetings were carried out unanimously.

I 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.

(Tushar Shridharani)
Practicing Company Secretary
FCS 2690 / COP 2190
UDIN : F002690C000356879

Place: Mumbai
Date: May 26, 2021



Annexure - C

TO THE BOARD'S REPORT

CORPORATE SOCIAL RESPONSIBILITY

[Pursuant to clause (o) of sub-section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. Brief outline on CSR Policy of the Company:

Acting responsibly towards the society is a part of the Datamatics DNA. Datamatics has always been a strong proponent of being socially responsible Company. This approach has culminated in the formation of our Corporate Social Responsibility (CSR) initiative, christened as 'ASHA'.

The CSR policy aims at bringing about a transformation in the quality of life of people through social upliftment and similar such programs. The CSR vision of Datamatics involves ongoing commitment by business towards Employability, Education, Health and Environment with objective to contribute to the economic and social development of society at large.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Rahul Kanodia	Vice-Chairman & CEO	1	1
2	Mr. Sameer Kanodia	Non-Executive Director	1	1
3	Mr. R. K. Saraswat	Non-Executive Independent Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

The Company's revised its CSR Policy which is posted at <https://www.datamatics.com/about-us/Investor-relations/Corporate-Governance>.

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). : Not Applicable.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social

responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.: - **NIL**.

6. Average net profit of the company as per section 135(5): ₹ 51,71,31,934/-

7. (a) Two percent of average net profit of the company as per section 135(5) : ₹ 1,03,42,639/

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. : Not Applicable.

(c) Amount required to be set off for the financial year, if any: **NIL**.

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 1,03,42,639/-

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
FY 2020-21	Amount (in ₹)	Date of transfer	Name of the Fund	Amount	Date of transfer
51,49,809	51,92,830	₹ 26,52,191 transferred on 29.04.2021 *₹ 25,40,639 transferred on 19.05.2021	NA	NA	NA

* There was delay in transferring ₹ 25,40,639/- to Unspent CSR account on account of delay in completion of banking related activities due to lockdown imposed by the government on rising Covid cases.

Annexure – C (Contd.)

TO THE BOARD'S REPORT

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Project duration	(7) Amount allocated for the project (in ₹)	(8) Amount spent in the current financial Year (in ₹)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1	Health and Medical, Training and Employability of young students	(i) (ii)	Yes			3 years	52,00,000	Nil	51,92,830	No	Suraj Hope Foundation	CSR00 007591
	Total						52,00,000		51,92,830			

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(9) Amount spent for the project (in ₹)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1	BMC Covid helpline	(i)	Yes	Mumbai		33,63,964	No	BMC	-
2	Donation for Covid'19 help in Uran for food to needy	(i)	Yes	Uran		4,85,845	No	Vichi Agro Products P Ltd	-
3	Contribution to MRSI for Freelance Interviewers Relief Fund	(ii)	Yes	Mumbai		1,00,000	No	Habitat for Humanity India	-
4	Adoption of a Slum in Mumbai	(xi)	Yes	Mumbai		10,00,000	No	Wockhardt Foundation	-
5	To provide nutrition to malnourished children	(i)	Yes	Mumbai		2,00,000	No	Annam Trust	-
	Total					51,49,809			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Not Applicable.

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 51,49,809/-



(g) Excess amount for set off, if any: Not Applicable

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable.

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer.	
1	2019-20	NA	NIL	NA	NIL	NA	NA
2	2018-19	NA	NIL	NA	NIL	NA	NA
3	2017-18	NA	NIL	NA	NIL	NA	NA

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable.**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project.	Financial Year in which the project was commenced.	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed /Ongoing.
1	NA	NA	NA	NA	NA	NA	NA	NA

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:

- (a) Date of creation or acquisition of the capital asset(s): **None**
- (b) Amount of CSR spent for creation or acquisition of capital asset: **Nil**
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: **Not Applicable.**
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): **Not Applicable.**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **Not Applicable.**

For and on behalf of the Board

Rahul L. Kanodia
Chairman of CSR Committee

R.K. Saraswat
Director

Place: Mumbai
Date: May 26, 2021

Annexure – D

TO THE BOARD'S REPORT

FORM NO. MGT - 9

EXTRACT OF ANNUAL RETURN

as on the financial year ended March 31, 2021

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

1	CIN	L72200MH1987PLC045205
2	Registration Date	November 3, 1987
3	Name of the Company	Datamatics Global Services Limited
4	Category/Sub-Category of the Company	Company having Share Capital /Indian Non-Government Company
5	Address of the Registered office and contact details	Knowledge Centre, Plot No.58, Street No.17, MIDC, Andheri (E), Mumbai 400093. Tel. No.: +91 (22) 6102 0000/1/2
6	Whether listed company	Yes
7	Name, Address and Contact details of Registrar and Transfer Agent, if any.	Datamatics Business Solutions Limited (formerly known as Datamatics Financial Services Limited) Plot No. A 16 & 17, MIDC, Part B, Cross Lane, Andheri (East), Mumbai – 400 093. Tel: 91-22-6671 2151 Fax: 91-22-6671 2250 Email: depository@datamaticsbpm.com website: www.datamaticsbpm.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/service	% to total turnover of the Company
1	IT & ITeS	6209	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S r. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares Held as on March 31, 2021	Applicable Section
1	Delta Infosolutions Private Limited Knowledge Centre, Plot No. 58, Street No. 17, MIDC, Andheri (East) Mumbai 400 093.	U72300MH1992PTC064911	Holding	54.45	2(46)
2	Cybercom Datamatics Information Solutions Limited Unit no 105, First Floor, Multistoried Building, Seepz - Sez Andheri (E), Mumbai 400096.	U72900MH2000PLC123469	Subsidiary	50.50	2(87)
3	Lumina Datamatics Limited Unit No. 117-120, SDF-IV, SEEPZ-SEZ, Andheri (East), Mumbai - 400096.	U22220MH2007PLC322853	Subsidiary	100.00	2(87)
4	Datamatics Digital Limited* Knowledge Centre, Plot No. 58, Street No. 17, MIDC, Andheri (East) Mumbai 400 093.	U72200MH2005PLC309621	Subsidiary	100.00	2(87)



Annexure - D (Contd.)

TO THE BOARD'S REPORT

S r. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of Shares Held as on March 31, 2021	Applicable Section
5	CIGNEX Datamatics Technologies Limited** President Plaza, Opp. Muktidham Derasar, Thaltej Cross Road, Sarkhej Gandhinagar Highway Ahmedabad Gujarat - 380054	U72200GJ2006PLC048349	Subsidiary	62.51	2(87)
6	LDR eRetail Limited Knowledge Centre, Plot No. 58, Street No. 17, MIDC, Andheri (East), Mumbai 400 093.	U74120MH2015PLC322053	Subsidiary	100.00	2(87)
7	LD Publishing and eRetail Limited^^ 12th Floor, Phase II, Crest, International Tech Park, Taramani CSIR Road, Chennai - 600113.	U74900TN2015PLC102688	Subsidiary	100.00	2(87)
8	Datamatics Staffing Services Limited Eucharistic Congress Building No III 5 Convent Street Colaba Mumbai - 400039	U74140MH2003PLC140165	Subsidiary	51.00	2(87)
9	Datamatics Robotics Software Limited Knowledge Centre, Plot No. 58, Street No. 17, MIDC, Andheri (East) Mumbai 400 093.	U74999MH2018FLC307700	Subsidiary	100.00	2(87)
10	RJ Globus Solutions Private Limited*** 103, Balaji Residency, Mamletdarwadi Liberty Garden, Malad West, Mumbai- 400064.	U74999MH2018FTC306956	Subsidiary	100.00	2(87)
11	Datamatics Global Services, Inc. Suite 400, 31572 Industrial Road, Livonia, MI-48150.	Not Applicable	Subsidiary	100.00	2(87)
12	Datamatics Infotech Limited 1 Doughty Street, London WC1N2PH.	Not Applicable	Subsidiary	100.00	2(87)
13	Datamatics Global Services PTY Limited Monash Building Centre Pty Ltd, 468 Blackburn Road, Glen Waverly, Victoria 3150, Australia.	Not Applicable	Subsidiary	100.00	2(87)
14	Datamatics Global Technologies Ltd 3 rd Floor, Harbour Front Building, President John Kennedy Street, Port Louis, Republic of Mauritius.	Not Applicable	Subsidiary	100.00	2(87)
15	Datamatics Global Technologies AG MSG Rechtsanwalte & Notare, Vortstadt 32, 6304, Zug, Switzerland.	Not Applicable	Subsidiary	100.00	2(87)
16	Datamatics Global Services FZ-LLC 3201, 32 nd Floor, Al Shatha Tower, Dubai, United Arab Emirates.	Not Applicable	Subsidiary	100.00	2(87)
17	Datamatics Global Services Corporation. Unit 1807, Cityland Condominium, 10, Tower, H.V Dela Costa ST. Corner, Ayala Ave, Makati City.	Not Applicable	Subsidiary	100.00	2(87)
18	Datamatics Robotics Software Inc. 1209, Orange Street, City of Willington, County of New Castle 19801, State of Delaware.	Not Applicable	Subsidiary	100.00	2(87)

Annexure – D (Contd.)

TO THE BOARD'S REPORT

S r. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of Shares Held as on March 31, 2021	Applicable Section
19	Lumina Datamatics, Inc. 600 Cordwainer Drive, Unit 103. Norwell MA 02061	Not Applicable	Subsidiary	100.00	2(87)
20	RJ Globus, Inc 1209, Orange Street, City of Wilmington, County of New Castle 19801	Not Applicable	Subsidiary	100.00	2(87)
21	RJ Globus Solutions, Inc 3 rd Floor, Tower 1, Rockwell Business Center, Ortigas Avenue, Philippines.	Not Applicable	Subsidiary	100.00	2(87)
22	Lumina Datamatics GmbH Im Leuschnerpark 4, 64347 Griesheim.	Not Applicable	Subsidiary	100.00	2(87)
23	Lumina Datamatics Assessment & Analytics LLC 600 Cordwainer Dr., Unit 103, Norwell, MA 02061	Not Applicable	Subsidiary	65.00	2(87)
24	CIGNEX Datamatics Corporation # Portcullis TrustNet Chambers, P.O. Box 3444, Road Town, Tortola, British Virgin Islands"	Not Applicable	Subsidiary	62.51	2(87)
25	CIGNEX Datamatics, Inc.** 31572 Industrial RD, Suite 400, Livonia MI 48150.	Not Applicable	Subsidiary	62.51	2(87)
26	CIGNEX Datamatics GmbH ** Fuhrmannstrasse 8, 64289 Darmstadt, Germany.	Not Applicable	Subsidiary	62.51	2(87)
27	CIGNEX Datamatics Pte. Limited.** 4 Shenton Way, #08-03 SGX Centre II, Singapore 068807.	Not Applicable	Subsidiary	62.51	2(87)
28	Duo Consulting Inc ^ 641 West Lake Street, Suite 301, Chicago IL 60601.	Not Applicable	Subsidiary	41.26	2(87)
29	Datamatics Global Services BV KEIZERSGRACHT 391 A, 1016 EJ, Amsterdam The Netherlands	Not Applicable	Subsidiary	100.00	2(87)

*Merged with and into parent Company Datamatics Global Services Limited w.e.f. December 7, 2020

**Divested w.e.f. December 31, 2020

*** Under process of striking off

Liquidated w.e.f. August 17, 2020

^ Sold on April 1, 2020.

^^ Striked off w.e.f. March 22, 2021.



Annexure - D (Contd.)

TO THE BOARD'S REPORT

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

l) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (As on April 1, 2020)				No. of Shares held at the end of the year (As on March 31, 2021)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
1) Indian									
a) Individual/HUF	1,16,22,078	0	1,16,22,078	19.72	1,16,94,959	0	1,16,94,959	19.84	0.12
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt (s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	3,20,98,742	0	3,20,98,742	54.45	3,20,98,742	0	3,20,98,742	54.45	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)(1)	4,37,20,820	0	4,37,20,820	74.17	4,37,93,701	0	4,37,93,701	74.29	0.12
2) Foreign									
a) NRIs- Individual	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
F) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Promoter Shareholding (A) = (A)(1)+(A)(2)	4,37,20,820	0	4,37,20,820	74.17	4,37,93,701	0	4,37,93,701	74.29	0.12
B. PUBLIC SHAREHOLDING									
1. Institutions									
(i) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
(ii) Banks / FI	56,315	0	56,315	0.10	103	0	103	0.00	-0.10
(iii) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
(iv) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
(v) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(vi) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(vii) FIs	1,40,700	0	1,40,700	0.24	65,700	0	65,700	0.11	-0.13
(viii) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(ix) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(x) Others-Foreign Portfolio Investor	0	0	0	0.00	-	0	0	0.00	0.00
Sub-total (B)(1)	1,97,015	0	1,97,015	0.34	65,803	0	65,803	0.11	-0.23
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	14,62,339	500	14,62,839	2.48	12,61,158	0	12,61,158	2.14	-0.34
ii) Overseas	-	-	0	0.00	-	-	0	0.00	0.00
b) Individuals									
Individuals - shareholders holding nominal share capital up to ₹ 1 Lakh	75,48,677	79,688	76,28,365	12.94	81,73,388	76,807	82,50,195	14.00	1.06
Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	52,71,943	0	52,71,943	8.94	50,79,185	0	50,79,185	8.62	-0.32

Annexure – D (Contd.)

TO THE BOARD'S REPORT

Category of Shareholders	No. of Shares held at the beginning of the year (As on April 1, 2020)				No. of Shares held at the end of the year (As on March 31, 2021)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others, specify									
NRIs (Rep. & Non-Rep.)	5,90,830	0	5,90,830	1.00	4,00,360	0	4,00,360	0.68	-0.32
IEPF	59,525	0	59,525	0.10	62,945	0	62,945	0.11	0.01
Foreign National	18,000	0	18,000	0.03	35,990	0	35,990	0.06	0.03
Sub-total (B)(2)	1,49,51,314	80,188	1,50,31,502	25.50	1,50,13,026	76,807	1,50,89,833	25.60	0.10
Total Public Shareholding (B) = (B)(1) + (B)(2)	1,51,48,329	80,188	1,52,28,517	25.83	1,50,78,829	76,807	1,51,55,636	25.71	-0.12
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	5,88,69,149	80,188	5,89,49,337	100.00	5,88,72,530	76,807	5,89,49,337	100.00	0.00

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on April 1, 2020)			Shareholding at the end of the year (As on March 31, 2021)			% Change in Shareholding during the year
		No. of Shares	% of total Shares of the Company	% of shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of shares Pledged/encumbered to total shares	
1	Delta Infosolutions Pvt. Ltd.	3,20,98,742	54.45	0.00	3,20,98,742	54.45	0.00	0.00
2	Dr. Lalit S. Kanodia*	36,15,384	6.13	0.00	47,88,265	8.12	0.00	1.99
3	Mrs. Asha L. Kanodia	33,05,258	5.61	0.00	33,05,258	5.61	0.00	0.00
4	Mr. Rahul L. Kanodia	209	0.00	0.00	209	0.00	0.00	0.00
5	Mr. Sameer L. Kanodia	14,72,858	2.50	0.00	14,72,858	2.50	0.00	0.00
6	Mrs. Priyadarshini R. Kanodia	14,73,852	2.50	0.00	14,73,852	2.50	0.00	0.00
7	Mrs. Aneesha A. Dalmia**	13,52,874	2.29	0.00	2,52,874	0.43	0.00	-1.87
8	Mrs. Amrita V. Bhogilal	3,19,143	0.54	0.00	3,19,143	0.54	0.00	0.00
9	Mr. Yogendra S. Kanodia	6,500	0.01	0.00	6,500	0.01	0.00	0.00
10	Yogendra Kanodia HUF	1,700	0.00	0.00	1,700	0.00	0.00	0.00
11	Smt. Chandravati S. Kanodia	36	0.00	0.00	36	0.00	0.00	0.00
12	Dr. Lalit S. Kanodia HUF -2	74,264	0.13	0.00	74,264	0.13	0.00	0.00
	Total	4,37,20,820	74.17	0.00	4,37,93,701	74.29	0.00	0.12

The shareholding disclosed above is as per the BENPOS data received from the company's RTA M/s. Datamatics Business Solutions Limited as on March 31, 2021.

*Dr. Lalit S. Kanodia (Promoter) purchased 11,00,000 equity shares carrying 1.87% voting rights of Datamatics Global Services Limited through Off Market Trade by way of Gift on February 5, 2021 from his daughter Ms. Aneesha Dalmia, resulting in increase in his shareholding by 1.87%

*Dr. Lalit S. Kanodia (Promoter) had purchased 38,033 & 34,848 shares of the Company on March 30, 2020 and March 31, 2020 respectively totalling to 72,881 shares (0.13%)

**Ms. Aneesha Dalmia (Promoter) sold 11,00,000 equity shares carrying 1.87% voting rights of Datamatics Global Services Limited through Off Market Trade by way of Gift on February 5, 2021 to her father Dr. Lalit S. Kanodia, resulting in decrease in her shareholding by 1.87%;



Annexure - D (Contd.)

TO THE BOARD'S REPORT

iii) Change in Promoters' Shareholding

Sr. No.	Name of Shareholders	Date	Shareholding at the beginning of the year (As on April 1, 2020)		Cumulative Shareholding during the year (April 1, 2020 to March 31, 2021)	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Delta Infosolutions Pvt. Ltd.					
	At the beginning of the year	1-Apr-20	3,20,98,742	54.45	3,20,98,742	54.45
	Increase/decrease in Shareholding		No change during the year		No change during the year	
	At the end of the year	31-Mar-21			3,20,98,742	54.45
2	Dr. Lalit S. Kanodia *					
	At the beginning of the year	1-Apr-20	36,15,384	6.13	36,15,384	6.13
	Increase in Shareholding	3-Apr-20	38,033	0.07	36,53,417	6.20
	Increase in Shareholding	10-Apr-20	34,848	0.06	36,88,265	6.26
	Increase in Shareholding	5-Feb-21	11,00,000	1.87	47,88,265	8.12
	At the end of the year	31-Mar-21			47,88,265	8.12
3	Mrs. Asha L. Kanodia					
	At the beginning of the year	1-Apr-20	33,05,258	5.61	33,05,258	5.61
	Increase/decrease in Shareholding		No change during the year		No change during the year	
	At the end of the year	31-Mar-21			33,05,258	5.61
4	Mr. Rahul L. Kanodia					
	At the beginning of the year	1-Apr-20	209	0.00	209	0.00
	Increase/decrease in Shareholding		No change during the year		No change during the year	
	At the end of the year	31-Mar-21			209	0.00
5	Mr. Sameer L. Kanodia					
	At the beginning of the year	1-Apr-20	14,72,858	2.50	14,72,858	2.50
	Increase/decrease in Shareholding		No change during the year		No change during the year	
	At the end of the year	31-Mar-21			14,72,858	2.50
6	Mrs. Priyadarshini R. Kanodia					
	At the beginning of the year	1-Apr-20	14,73,852	2.50	14,73,852	2.50
	Increase/decrease in Shareholding		No change during the year		No change during the year	
	At the end of the year	31-Mar-21			14,73,852	2.50
7	Mrs. Aneesha A. Dalmia					
	At the beginning of the year	1-Apr-20	13,52,874	2.30	13,52,874	2.30
	decrease in Shareholding	5-Feb-21	11,00,000	1.87	2,52,874	0.42
	At the end of the year	31-Mar-21			2,52,874	0.42
8	Mrs. Amrita V. Bhogilal					
	At the beginning of the year	1-Apr-20	3,19,143	0.54	3,19,143	0.54
	Increase/decrease in Shareholding		No change during the year		No change during the year	
	At the end of the year	31-Mar-21			3,19,143	0.54
9	Mr. Yogendra S. Kanodia					
	At the beginning of the year	1-Apr-20	6,500	0.01	6,500	0.01
	Increase/decrease in Shareholding		No change during the year		No change during the year	
	At the end of the year	31-Mar-21			6,500	0.01
10	Yogendra Kanodia HUF					
	At the beginning of the year	1-Apr-20	1,700	0.00	1,700	0.00
	Increase/decrease in Shareholding		No change during the year		No change during the year	
	At the end of the year	31-Mar-21			1,700	0.00
11	Smt. Chandravati S. Kanodia					
	At the beginning of the year	1-Apr-20	36	0.00	36	0.00
	Increase/decrease in Shareholding		No change during the year		No change during the year	
	At the end of the year	31-Mar-21			36	0.00
12	Dr. Lalit S. Kanodia HUF - 2					
	At the beginning of the year	1-Apr-20	74,264	0.13	74,264	0.13
	Increase/decrease in Shareholding		No change during the year		No change during the year	
	At the end of the year	31-Mar-21			74,264	0.13

* The shareholding disclosed above is as per the BENPOS data received from the company's RTA M/s. Datamatics Business Solutions Limited as on March 31, 2021.

Annexure – D (Contd.)

TO THE BOARD'S REPORT

iv) Shareholding Pattern of Top 10 Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Name of Shareholders	Date	Shareholding at the beginning of the year (As on April 1, 2020)		Cumulative Shareholding during the year (April 1, 2020 to March 31, 2021)	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Mr. Shaunak Jagdish Shah					
	At the beginning of the year	1-Apr-20	999,149	1.70	999,149	1.70
	Increase/decrease in Shareholding		No change during the year		No change during the year	
	At the end of the year	31-Mar-21			999,149	1.70
2	Mr. Jagdish Amritlal Shah					
	At the beginning of the year	1-Apr-20	8,00,000	1.36	8,00,000	1.36
	Increase/decrease in Shareholding		No change during the year		No change during the year	
	At the end of the year	31-Mar-21			8,00,000	1.36
3	Jamson Securities Pvt Ltd					
	At the beginning of the year	1-Apr-20	5,80,660	0.99	5,80,660	0.99
	Increase/decrease in Shareholding		No change during the year		No change during the year	
	At the end of the year	31-Mar-21			5,80,660	0.99
4	Ms. Jagruti Shaunak Shah					
	At the beginning of the year	1-Apr-20	5,00,000	0.85	5,00,000	0.85
	Increase/decrease in Shareholding		No change during the year		No change during the year	
	At the end of the year	31-Mar-21			5,00,000	0.85
5	Kamlesh B Shah					
	At the beginning of the year	1-Apr-20	2,73,600	0.46	2,73,600	0.46
	Increase/decrease in Shareholding		No change during the year		No change during the year	
	At the end of the year	31-Mar-21	-	-	2,73,600	0.46
6	Mr. Arun Nahar					
	At the beginning of the Year	1-Apr-20	2,33,270	0.39	2,33,270	0.39
	Increase	28-Aug-20	7,073	0.01	2,40,343	0.40
	At the end of the year	31-Mar-21	-	-	2,33,270	0.40
7	Mahesh Ratnakar Gothivrekar					
	At the beginning of the Year	1-Apr-20	0	0.00	0	0.00
	Increase	22-May-2020	59,781	0.10	59,781	0.10
	Increase	29-May-2020	50,771	0.09	1,10,552	0.19
	Increase	05-June-2020	53,977	0.09	1,64,529	0.28
	Increase	12-June-2020	51,061	0.09	2,15,590	0.37
	Increase	19-June-2020	4,000	0.01	2,19,590	0.37
	At the end of the year	31-Mar-21			2,19,590	0.37
8	Mr. B N Nagamani					
	At the beginning of the Year	1-Apr-20	2,00,000	0.34	2,00,000	0.34
	Increase/decrease in Shareholding		No change during the year		No change during the year	
	At the end of the year	31-Mar-21	-	-	2,00,000	0.34



Annexure - D (Contd.)

TO THE BOARD'S REPORT

Sr. No.	Name of Shareholders	Date	Shareholding at the beginning of the year (As on April 1, 2020)		Cumulative Shareholding during the year (April 1, 2020 to March 31, 2021)	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
9	Mr. Nagendra G. Uddagiri					
	At the beginning of the Year	1-Apr-20	1,71,500	0.291	1,71,500	0.29
	Increase	10-Apr-20	450	0.001	1,71,950	0.29
	Increase	1-May-20	1,052	0.002	1,73,002	0.29
	Increase	8-May-20	1,998	0.003	1,75,000	0.30
	Increase	12-Jun-20	2,000	0.003	1,77,000	0.30
	Decrease	24-Jul-20	(4,000)	-0.007	1,73,000	0.29
	Increase	31-Jul-20	1,000	0.002	1,74,000	0.30
	Increase	7-Aug-20	1,000	0.002	1,75,000	0.30
	Increase	21-Aug-20	2,000	0.003	1,77,000	0.30
	Increase	28-Aug-20	1,140	0.002	1,78,140	0.30
	Increase	4-Sep-20	1,039	0.002	1,79,179	0.30
	Increase	11-Sep-20	821	0.001	1,80,000	0.31
	Increase	9-Oct-20	4,000	0.007	1,84,000	0.31
	Increase	16-Oct-20	1,500	0.003	1,85,500	0.32
	Decrease	23-Oct-20	(5,000)	-0.008	1,80,500	0.31
	Decrease	6-Nov-20	(1,500)	-0.003	1,79,000	0.30
	Decrease	13-Nov-20	(4,000)	-0.007	1,75,000	0.30
	Decrease	27-Nov-20	(2,000)	-0.003	1,73,000	0.29
	Increase	4-Dec-20	4,000	0.007	1,77,000	0.30
	Decrease	11-Dec-20	(5,500)	-0.009	1,71,500	0.29
	Increase	31-Dec-20	3,000	0.005	1,74,500	0.30
	Increase	15-Jan-21	1,964	0.003	1,76,464	0.30
	Increase	22-Jan-21	1,036	0.002	1,77,500	0.30
	Increase	29-Jan-21	5,240	0.009	1,82,740	0.31
	Increase	5-Feb-21	1,510	0.003	1,84,250	0.31
	Increase	12-Feb-21	750	0.001	1,85,000	0.31
	Increase	26-Feb-21	5,000	0.008	1,90,000	0.32
	Increase	12-Mar-21	1,000	0.002	1,91,000	0.32
	At the end of the year	31-Mar-21			1,91,000	0.32
10	SIRSA DEPOSITS AND ADVANCES LIMITED					
	At the beginning of the Year	1-Apr-20	0	0.00	0	0.00
	Increase	12-Jun-20	2,000	0.00	2,000	0.00
	Decrease	07-Aug-20	(2,000)	0.00	0	0.00
	Increase	04-Sep-20	2,000	0.00	2,000	0.00
	Increase	06-Nov-20	15,000	0.03	17,000	0.03
	Increase	27-Nov-20	14,940	0.03	31,940	0.05
	Increase	11-Dec-20	3,000	0.01	34,940	0.06
	Increase	25-Dec-20	65,000	0.11	99,940	0.17
	Increase	31-Dec-20	2,000	0.00	1,01,940	0.17
	Increase	29-Jan-21	17,614	0.03	1,19,554	0.20
	Increase	05-Feb-21	2,886	0.01	1,22,440	0.21
	Increase	05-Mar-21	50,000	0.09	1,72,440	0.29
	Increase	19-Mar-21	5,000	0.01	1,77,440	0.30
	At the end of the year	31-Mar-21			1,77,440	0.30

Annexure – D (Contd.)

TO THE BOARD'S REPORT

v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name of Promoters	Date	Shareholding at the beginning of the year (As on April 1, 2020)		Cumulative Shareholding during the year (As on March 31, 2021)	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Dr. Lalit S. Kanodia					
	At the beginning of the year	1-Apr-20	36,15,384	6.13	36,15,384	6.13
	Increase in Shareholding	3-Apr-20	38,033	0.07	36,53,417	6.20
	Increase in Shareholding	10-Apr-20	34,848	0.06	36,88,265	6.26
	Increase in Shareholding	5-Feb-21	11,00,000	1.87	47,88,265	8.12
	At the end of the year	31-Mar-21			47,88,265	8.12
2	Mrs. Asha L. Kanodia					
	At the beginning of the year	1-Apr-20	33,05,258	5.61	33,05,258	5.61
	Increase/decrease in Shareholding		No change during the year		No change during the year	
	At the end of the year	31-Mar-21			33,05,258	5.61
3	Mr. Rahul L. Kanodia					
	At the beginning of the year	1-Apr-20	209	0.00	209	0.00
	Increase/decrease in Shareholding		No change during the year		No change during the year	
	At the end of the year	31-Mar-21			209	0.00
4	Mr. Sameer L. Kanodia					
	At the beginning of the year	1-Apr-20	14,72,858	2.50	14,72,858	2.50
	Increase/decrease in Shareholding		No change during the year		No change during the year	
	At the end of the year	31-Mar-21			14,72,858	2.50
5	Mrs. Mona Bhide					
	At the beginning of the year	1-Apr-20	0	0.00	0	0.00
	Increase/decrease in Shareholding		No change during the year		No change during the year	
	At the end of the year	31-Mar-21			0	0.00
6	Mr. R. K. Saraswat					
	At the beginning of the year	1-Apr-20	1,000	0.00	1,000	0.00
	Increase/decrease in Shareholding		No change during the year		No change during the year	
	At the end of the year	31-Mar-21			1,000	0.00
7	Mr. Dilip D. Dandekar					
	At the beginning of the year	1-Apr-20	0	0.00	0	0.00
	Increase/decrease in Shareholding		No change during the year		No change during the year	
	At the end of the year	31-Mar-21			0	0.00
8	Mr. Vinay M. Aggarwal					
	At the beginning of the year	1-Apr-20	0	0.00	0	0.00
	Increase/decrease in Shareholding		No change during the year		No change during the year	
	At the end of the year	31-Mar-21			0	0.00
9	Ms. Divya Kumari					
	At the beginning of the year	1-Apr-20	200	0.00	200	0.00
	Increase/decrease in Shareholding		No change during the year		No change during the year	
	At the end of the year	31-Mar-21			200	0.00
10	Mr. Sandeep Mantri					
	At the beginning of the year	1-Apr-20	0	0.00	0	0.00
	Increase/decrease in Shareholding		No change during the year		No change during the year	
	At the end of the year	31-Mar-21			0	0.00



Annexure - D (Contd.)

TO THE BOARD'S REPORT

V. Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans Excluding deposits	Unsecured Loans	Deposits	(₹ in millions)
				Total Indebtedness
Indebtedness at the beginning of the financial year i.e. As on April 1, 2020				
i) Principal Amount	487.50	0.00	0.00	487.50
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.69	0.00	0.00	0.69
Total (i+ii+iii)	488.19	0.00	0.00	488.19
Change in Indebtedness during the financial year				
– Addition	0.00	0.00	0.00	0.00
Reduction (Repayment)	488.19	0.00	0.00	488.19
Net Change (ii)	488.19	0.00	0.00	488.19
Indebtedness at the end of the financial year i.e. March 31, 2021				
i) Principal Amount	0.00	0.00	0.00	0.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTDs/Manager		(₹ in millions)
		Dr. Lalit S. Kanodia, Chairman & Whole Time Director	Mr. Rahul L. Kanodia, Vice Chairman & CEO	Total Amount
1	Gross salary			
a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	6.00	8.00	14.00
b)	Value of perquisites under section 17(2) Income-tax Act, 1961	1.00	0.05	1.05
c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	5.48	5.48	10.96
	As % of profit	-	-	-
5	Others, specify	-	-	-
Total (A)		12.48	13.53	26.01
Ceiling as per the Act (10% of Profits calculated under Section 198 of the Companies Act, 2013)			54.78	

B. Remuneration to other directors:				(₹ in millions)
Sr. No.	Particulars of Remuneration	Fee for attending Board/Committee meetings	Commission	Total Amount
1	Independent Directors			
	Mr. R. K. Saraswat	0.27	0.27	0.54
	Mr. Dilip Dandekar	0.27	0.27	0.54
	Mr. Vinay Aggarwal	0.27	0.27	0.54
	Mrs. Mona Bhide	0.21	0.27	0.48
Total (1)		1.02	1.09	2.11
2	Other Non-Executive Directors			
	Mr. Sameer L. Kanodia	0.00	0.00	0.00
	Mrs. Asha L. Kanodia	0.18	0.27	0.45
	Total (2)	0.18	0.27	0.45
Total Managerial Remuneration		1.20	1.37	2.57
Ceiling as per the Act (1% of Profits calculated under Section 198 of the Companies Act, 2013)			5.48	(₹ in millions)

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD				
Sr. No.	Particulars of Remuneration	Ms. Divya Kumart, Company Secretary (KMP)	Mr. Sandeep Mantri Chief Financial Officer (KMP)	Total
1	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	7.09	5.84	12.93
	b) Value of perquisites under section 17(2) Income-tax Act, 1961.	0.01	0.02	0.03
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961.	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission as % of profit	-	-	-
5	Others - Contribution to Provident Fund, Allowance etc.	-	-	-
Total		7.10	5.86	12.96

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (Give details)
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A. COMPANY

Penalty	There were no penalties, punishment, compounding of offences during the year ended March 31, 2021.				
Punishment					
Compounding					

B. DIRECTORS

Penalty	There were no penalties, punishment, compounding of offences during the year ended March 31, 2021.				
Punishment					
Compounding					

C. OTHER OFFICERS IN DEFAULT

Penalty	There were no penalties, punishment, compounding of offences during the year ended March 31, 2021.				
Punishment					
Compounding					



Annexure - E

TO THE BOARD'S REPORT

Business Responsibility Report

The Directors present the Business Responsibility ("BR") Report of the Company for the financial year ended 31st March, 2021, pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

❖ SECTION A - GENERAL INFORMATION ABOUT THE COMPANY:

No.	Disclosures	Information / Reference sections
1.	Corporate Identity Number (CIN) of the Company	L72200MH1987PLC045205
2.	Name of the Company	Datamatics Global Services Limited
3.	Registered address	Knowledge Centre, Plot No. 58, Street No. 17, MIDC, Andheri (East), Mumbai - 400093, Maharashtra, India.
4.	Website	www.datamatics.com
5.	E-mail id	investors@datamatics.com
6.	Financial Year reported	April 1, 2020 to March 31, 2021
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	NIC Code: 6209 Product Description: Information Technology (IT) & Information Technology enabled Services (ITeS)
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Refer Page no. 2 - 5 of this Report
9.	Total number of locations where business activity is undertaken by the Company:	Company has undertaken business activities in four (4) international locations namely USA, Europe, Philippines and UAE. Company has carried out business in four (4) national locations namely Mumbai, Bangalore, Puducherry and Nashik

❖ SECTION B - FINANCIAL DETAILS OF THE COMPANY:

No.	Disclosures	Information / Reference Sections
1.	Paid up Capital	INR 29,47,46,685/- consisting of 5,89,49,337 equity shares of INR 5/- each.
2.	Total Turnover	INR 468,52,22,028/-
3.	Total profit after taxes	INR 56,30,91,118/-
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	INR 51,49,809/-
5.	List of activities in which expenditure in 4 above has been incurred:	Refer Annexure C of the Board's Report in this Annual Report.

❖ SECTION C - OTHER DETAILS:

1. Does the Company have any Subsidiary Company/ Companies?

The Company has subsidiary companies in India, the USA, the UK, Germany, Netherlands, Philippines, Singapore, Mauritius, Dubai, Switzerland and Australia.

2. Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).

No.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%].

Yes. Less than 30%.

❖ SECTION D - BR INFORMATION:

1. Details of Director/Directors responsible for BR:

(a) Details of the Director/Directors responsible for implementation of the BR policy/policies.

The CSR Committee of the Board of Directors is responsible for implementation of BR policies. The members of the CSR Committee are as follows:

DIN	Name	Designation
00075801	Rahul L Kanodia	Chairman
00015095	Radhakrishna K Saraswat	Member
00008232	Sameer L Kanodia	Member

(b) Details of the BR head:

Name	Rahul L. Kanodia
Designation	Vice Chairman & CEO
DIN	00075801
Telephone number	+91 22 61020000/1/2
Email ID	rahul.kanodia@datamatics.com

2. Principle wise (as per National Voluntary Guidelines) BR Policy/policies:

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine (9) areas of Business Responsibility. These briefly are as follows:

Reference	Principles	Description
P1	Principle 1	Business should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Principle 3	Businesses should promote the wellbeing of all employees
P4	Principle 4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
P5	Principle 5	Businesses should respect and promote human rights
P6	Principle 6	Business should respect, protect, and make efforts to restore the environment
P7	Principle 7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Principle 8	Businesses should support inclusive growth and equitable development
P9	Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

Sr. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for each of the Principles?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify?	Yes, the BR policies are formulated on the basis of national and international standards and compliant with the principles of the National Voluntary Guidelines (NVG).								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes, the CSR Committee of the Board of Directors is responsible for implementation of BR policies								
6	Indicate the link for the policy to be viewed online?	Link to all policies: https://www.datamatics.com/about-us/investor-relations/corporate-governance								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, the policies have been communicated to internal and external stakeholders. They are available online for all stakeholders to refer in the above mentioned links.								



Sr. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
8	Does the company have in-house structure to implement the policy/policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes, any grievance or feedback related to the policies can be sent to investors@datamatics.com . CSR committee of the Board of Directors is responsible for addressing stakeholder concerns related to BR policies.								
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

2a. If answer to S. No. 1 against any principle, is 'No', please explain why:

Not Applicable ("NA")

Sr. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	NA								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	NA								
3	The company does not have financial or manpower resources available for the task	NA								
4	It is planned to be done within next 6 months	NA								
5	It is planned to be done within the next 1 year	NA								
6	Any other reason (please specify)	NA								

3. Governance related to BR:

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO meet to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

The Board of Directors of the Company will annually review the BR related performance.

- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The BR Report of the Company is part of the Annual Report for the F.Y. 2020-21 and the same is available on:

<https://www.datamatics.com/about-us/investor-relations/financials>

❖ SECTION E – PRINCIPLE WISE PERFORMANCE:

P1 – Business should conduct and govern themselves with ethics, transparency and accountability		
Principle No	Description	Response
1.1	Does the policy relating to ethics, bribery and corruption cover only the Company? Yes / No.	No
	Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?	Yes The Company has an enduring legacy of conducting business with the highest standards of ethics. The Company has adopted Anti Bribery and Anti-Corruption policy with the objectives of enhancing the standards of ethical code of conduct for the highest degree of transparency, integrity, accountability and corporate social responsibility. The Whistle Blower policy of the Company provides a mechanism for the employees of the Company and other persons dealing with the Company to report to the Audit Committee, any instance of unethical behaviour, actual or suspected fraud or violation of any of the Company's Policies.
1.2	How many stakeholder complaints have been received in the past financial year, and what percentage was satisfactorily resolved by the Management? If so, provide the details thereof.	The Company has not received any complaints from the stakeholders in the financial year in relation to code of conduct, business ethics, transparency and accountability.
P2 – Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle		
2.1	List up to three of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities.	The Company is a technology company that builds intelligent solutions for data-driven enterprises. The Company's portfolio spans across Information Technology Solutions, Business Process Management (BPM) and Engineering Services, powered by Artificial Intelligence. The Company has also established products in Robotic Process Automation, Advanced Analytics, Business Intelligence, and Automated Fare Collection. All the above services and solutions are fundamentally premised on improving resource efficiency and reducing environmental footprint.
2.2	For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of product (optional)	As detailed in point 2.1 above, all the business services of the Company significantly helps to improve the process efficiency and business outcomes for the customers of the Company. All these solutions directly or indirectly also improve the environmental impacts for the Company's customers. However due to nature of the Company's services, it is difficult to quantify.
2.3	Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably and provide details thereof.	No. The Company is in the process of taking steps to enhance the sustainable sourcing.



2.4	Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	The Company has not taken any steps to specifically procure goods and services from local and small producers, including communities surrounding the work place. However, the Company engages with both local and global suppliers. Purchases are driven by open and transparent non-discriminatory procurement process. The Company has enrolled multiple suppliers with preference to local vendors in several areas such as office catering, local transportation, subcontracted resources, etc.
2.5	Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%)? Also, provide details thereof, in about 50 words or so.	Yes, the Company has a mechanism to recycle products and waste. The Company has taken few initiatives as below: (1) E-waste (10%): (a) The Company recycles few desktops by making it functional (assisted by IT) and then send it for CSR purposes. (b) The Company disposes the balance desktops through scrap for further recycling by the dealers. (2) Disposable Stationery (5%): (a) When there is change in Logos/name/colour and various changes on good quality paper, the Company cuts the same into sizes and re-use it. (b) One side (non-confidential) papers, are cut & re-used for making small booklets. (3) Project waste (20%): (a) Hardware waste (wooden furniture, ply partitions, glass and paint, etc.) are reused in terms of modifications/remodelling/conversions, etc. for new plans. (b) Sort & Store - The waste as per the category, with proper packing and reusing by remodelling/resizing or as per requirements.
P3 – Businesses should promote the wellbeing of all employees.		
3.1	Please indicate the total number of employees.	6297*
3.2	Please indicate the total number of employees hired on a temporary / contractual / casual basis.	2475*
3.3	Please indicate the number of permanent women employees.	1577*
3.4	Please indicate the number of permanent employees with disabilities	43*
3.5	Do you have an employee association that is recognized by the Management?	No
3.6	What percentage of your permanent employees are members of this recognized employee association?	0%
3.7	Please indicate the number of complaints relating to child labour, forced labour, involuntary labour and sexual harassment in the last financial year, and those that are pending, as on the end of the financial year.	Nil
3.8	What percentage of your under-mentioned employees were given safety and skill up-gradation training in the last year? • Permanent employees • Permanent women employees • Casual / temporary / contractual employees • Employees with disabilities.	<ul style="list-style-type: none"> Permanent employees: Safety- 0% due to pandemic Skill up-gradation - 61% , Cyber Security - 63% Permanent women employees : skill up-gradation -54% Casual / temporary / contractual employees: skill up-gradation -62% Employees with disabilities: 55%

* These numbers are on standalone basis.

P4 – Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.		
4.1	Has the Company mapped its internal and external stakeholders?	The Company has a systematic process of identifying all the key internal and external stakeholders impacted by our operations. <u>Below is the list of our key stakeholders;</u> a. Management b. Shareholders c. Employees d. Suppliers e. Vendors f. <u>NGO's</u> g. <u>Government authorities</u> h. Local communities
4.2	Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?	The Company has identified children as disadvantaged, vulnerable & marginalised stakeholders. The Company has further identified physically challenged individuals and rural women as disadvantaged, vulnerable & marginalised stakeholders.
4.3	Are there any special initiatives undertaken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide the details thereof.	The Company identifies the needs of the communities spread around its area of operations and decides on the CSR programs. Currently, the Company is focusing on education, employment, Covid related relief and slum adoption programmes among others and details of its CSR spending is detailed in Annexure C of Director's Report in this Annual Report. Further, the Company has tied up with various institutions to train and provide employment opportunities for physically challenged individuals and rural women.
P5. Businesses should respect and promote human rights.		
5.1	Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?	The policy is applicable to the Company, all its subsidiaries and vendors.
5.2	How many stakeholder complaints have been received in the past financial year, and what percentage was satisfactorily resolved by the Management?	The Company has not received any complaints from the stakeholder for human rights violation in the financial year 2020-21.
P6. Business should respect, protect, and make efforts to restore the environment.		
6.1	Does the policy related to Principle 6 cover only the Company, or does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?	The policy is applicable to the Company and all its subsidiaries. The Company expects its suppliers, partners and contractors to be compliant with applicable laws and regulations including environmental laws and regulations.
6.2	Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc? Yes / No. If yes, please give the hyperlink for the web page, etc.	Please refer point 2.2
6.3	Does the Company identify and assess potential environmental risks?	Yes
6.4	Does the Company have any project related to the Clean Development Mechanism? If so, provide details thereof. Also, if yes, has any environmental compliance report been filed?	Not Applicable



6.5	Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewable energy, etc.? Yes / No. If yes, please give the hyperlink for the web page, etc.	Yes. Link for webpage: Datamatics.com/hubfs/Investors/Corporate Governance/Green- Initiative.pdf. The Company has also installed LED lights which has significantly led to savings in energy.
6.6	Are the emissions / waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?	Yes the emissions and waste generated by the Company are within the permissible limits.
6.7	Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e., not resolved to satisfaction) as on the end of the financial year.	NIL
P7 – Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.		
7.1	Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with.	The Company is member of Indo American Chamber of Commerce (IACC) and The National Association of Software and Service Companies (Nasscom).
7.2	Have you advocated / lobbied through the above associations for the advancement or improvement of public good? Yes / No. If yes, specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others).	No, the Company has not advocated / lobbied through the above associations for the advancement or improvement of public good.
P8 – Businesses should support inclusive growth and equitable development.		
8.1	Does the Company have specified programs / initiatives / projects in pursuit of the policy related to Principle 8? If yes, provide the details thereof.	Refer Annexure C of Director's Report in this Annual Report. The Company has been supporting & encouraging the National Apprenticeship Promotion Scheme (NAPS) and Employment Promotion Program (EPP) aimed at skill development and promoting youth employment with local economic opportunities. During the FY 2020-21, the Company hired & trained 1158 trainees under both the programs.
8.2	Are the programs / projects undertaken through an in-house team / own foundation / external NGO / government structures / any other organization?	The programs / projects as referred to in 8.1 are carried out directly by the Company.
8.3	Have you done any impact assessment of your initiative?	Yes
8.4	What is your Company's direct contribution to community development projects – amount in and the details of the projects undertaken?	Refer Annexure C of Director's Report in this Annual Report
8.5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community?	Yes. Initiatives conducted under CSR are tracked to determine the outcomes achieved and the benefits to the community. The National Apprenticeship Promotion Scheme (NAPS) and Employment Promotion Program (EPP) aimed at skill development and promoting youth employment are continuously monitored for improvements.

P9 – Businesses should engage with and provide value to their customers and consumers in a responsible manner		
9.1	What percentage of client complaints / consumer cases are pending as on the end of the financial year?	There are no client complaints cases pending as on the end of the financial year.
9.2	Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / NA / Remarks (additional information)	NA
9.3	Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising, and / or anti-competitive behaviour during the last five years and pending as on the end of the financial year? If so, provide the details thereof.	No
9.4	Did your Company carry out any consumer survey / measure consumer satisfaction trends?	<p>Yes.</p> <p>The company conducts a customer satisfaction surveys at the end of every major milestone to assess customer's perception of our services. The wholly automated survey asks the customers their feedback on a range of parameters that measure their near and long term perception about the Company.</p> <p>Apart from this, the more frequent and real time Customer Feedback Capture mechanism that captures feedback through other formal and informal channels also reports an improving trend in the customer sentiment towards the Company's processes and performance.</p>

Management Discussion and Analysis

Introduction

It is one year since COVID-19 was declared a global pandemic and Datamatics priorities continue to be employee well-being, servicing and retaining customers and tightly managing cash-flows. Team Datamatics has done exceedingly well in managing on all the three fronts which has resulted in business bouncing back across segments. Datamatics sees increase in demands in technology spending cycles, both from new and existing clients. Digital transformation and technology upgradation is creating huge opportunities for the IT industry. Datamatics is also seeing specific opportunities in the process automation and dynamic content management areas. Datamatics remains cautious and at the same time confident of sustaining the growth momentum in coming year.

As enterprises adopt digital technologies to drive their businesses, Datamatics is well positioned to implement Digital Technologies, including Intelligent Document Processing, Robotics, Cloud, Digital Experiences, Analytics, and Artificial Intelligence for them. It provides the company an excellent opportunity to partner with customers in implementing digital transformation solutions that would ensure business continuity and enable them to remain competitive.

A. Economic Environment

As per World Economic Outlook, April 2021, even with high uncertainty about the path of the pandemic, a way out of this health and economic crisis is increasingly visible. The World Economic Outlook is projecting a stronger recovery in 2021 and 2022 for the global economy compared to its previous forecast, with growth projected to be 6% in 2021 and 4.4% in 2022. Nonetheless, the outlook presents daunting challenges related to divergences in the speed of recovery both across and within countries and the potential for persistent economic damage from the crisis.

As per the report, the key forecasts for markets are as follows:

- The forecast for the United States shows stronger-than-expected growth reflecting additional fiscal support legislated, to increase from -3.5% in 2020 to 6.4% in 2021.
- The forecast for Euro is set to recover from -6.6% in 2020 to 4.4% in 2021. European economies were recovering in mid-2020. But this was followed by a surge in infections that forced new lockdowns in the last months of 2020, carrying over to 2021 impacting the growth forecasts.
- The forecast for United Kingdom shows a recovery from -9.9% in 2020 to 5.3% in 2021.
- A stronger recovery than initially expected after lockdowns were eased is expected in India with forecast to improve from -8% in 2020 to 12.5% in 2021. However, still high COVID-19 caseloads can negatively impact growth prospects.

Source: World Economic Outlook Update, April 2021

Industry Review

IT Solutions

- Worldwide IT spending is projected to total \$4.1 trillion in 2021, an increase of 8.4% from 2020. IT spending is likely to decelerate to 5.5% in 2022 to \$4.3 Trillion.

- All IT spending segments are forecast to have positive growth through 2022. The highest growth will come from devices (14%), enterprise software (10.8%) and IT services (9%)
- The source of funds for new digital business initiatives will more frequently come from business departments outside IT and charged as a cost of revenue or cost of goods sold (COGS).

Source: Gartner

Business Process Management (BPM)

- The global BPM market is projected to total \$254 Billion in 2021, an increase of 4.5% from 2020. BPM market is likely to grow at 7.6% in 2022 to \$273 Billion.
- Segments expected to witness the highest volume of new work in the next five years include industry-vertical-oriented BPM, enterprise back-office BPM and contact center
- Technology will assume center stage in BPM, especially through platform-based services

Source: Everest Group & Nasscom

Intelligent Automation

- The market for process-agnostic software enabling hyperautomation is projected to reach \$25bn in 2021 and is forecasted to grow at a CAGR of 18.8% over the period 2020-2025, thereby amounting to over \$46 Billion by end of 2025.
- RPA software market is growing at healthy double digit rates as per various analyst estimates. Gartner predicts that by 2022, 65% of organizations that deployed automation capabilities will introduce artificial intelligence (AI) that include machine learning (ML), natural language processing (NLP) algorithms and intelligent document processing (IDP).
- Driven by strong demand for automation, IDP market is projected to grow at 55%-65% CAGR thereby amounting to 1.85-1.95 Billion by 2022.

Source: Gartner & Everest Group

B. Business review

Datamatics is a global Technology, BPM and Digital Solutions company, that builds intelligent solutions for data-driven enterprises to improve their productivity and customer experience.

Datamatics has a strong footprint in the digital space providing new age solutions in Cloud, Mobility, Robotics, Digital Process Automation and Artificial Intelligence. Datamatics also has a strong product portfolio in Robotic Process Automation (TruBot), Intelligent Document Processing (TruCap+), Business Intelligence & Advance Analytics (TruBi), Artificial Intelligence (TruAI) and Automated Fare Collection (TruFare).

Datamatics provides digital solutions across Banking & Financial Services, Insurance, Healthcare, Manufacturing, International Organizations, and Media & Publishing; servicing over 200 significant customers globally.

Headquartered in Mumbai, the company has presence across four continents with major delivery centres in the USA, India, and Philippines.

Highlights 2020 – 21

Business updates

- Datamatics divested its stake in Cignex. This brings a sharper focus, and provides funds to invest in Datamatics digital solution strategy which is central to its business.
- Datamatics launched document processing with a new AI-enabled TruCap+ Intelligent Document Processing (IDP) solution
- Datamatics launched the world's largest repository of over 800 automation use cases for enterprises, customers and partners. The repository includes use cases across 13 industries such as BFSI, Manufacturing, Logistics; and 6 corporate functions like Finance & Accounting, Information Technology, Human Resources, and others
- Datamatics helped UTI Mutual Fund and several marquee Indian organisations to set-up paperless Digital Workplace during pandemic
- Datamatics refreshed its logo to reflect Company's comprehensive digital offerings and growth strategy
- As a part of CSR initiative, Datamatics helped Brihanmumbai Municipal Corporation (BMC) manage the migrant workers crisis by setting up an emergency digital call center and collaborated with NGOs to provide food and supplies to over 6.5 lakh citizens. Additionally Datamatics set up data analytics cell that gave real-time insights and updates of the ground situation to BMC officials.

Key Analyst Recognition:

- TruBot RPA recognized as a Strong Performer in Forrester Wave for RPA, Q1 2021
- TruCap+ IDP recognized as a Major Contender and Star Performer in Intelligent Document Processing (IDP) – Technology Vendor Landscape with Products PEAK Matrix® Assessment 2021
- Datamatics recognized as Major Contender in the Everest Intelligent Process Automation (IPA) – Solutions PEAK Matrix® Assessment 2021
- Datamatics a Major Player in IDC MarketScape: Worldwide Digital Finance and Accounting Business Process Services 2020-2021
- TruCap+ IDP recognized as a Leader in SPARK Matrix: Intelligent Document Processing (IDP), 2020
- Datamatics named as Product Challenger in the ISG Provider Lens™ Intelligent Automation - Solutions and Services - US and UK 2020
- Datamatics recognized in the Gartner Peer Insights 'Voice of the Customer': Robotic Process Automation 2020
- TruBot RPA recognized by Everest Group as a Major Contender in its Robotic Process Automation (RPA) Peak Matrix 2020.
- Datamatics acknowledged as a key player in RPA market in the report 'Datamatics looks to broaden its footprint in the RPA market' by 451 Research
- Datamatics recognised as 'Innovator' in Nelson Hall

Intelligent Automation in Banking NEAT Report 2021

Key Awards

- Datamatics recognised for being among the Top Companies in the Private sector at the United Nations Global Compact Network India (UN GCNI) Innovative Practices Award "Women at Work" – 2020
- Datamatics named as 'Leader' in the IAOP 2021 Global Outsourcing 100 List
- TruBot RPA recognised at Gold Stevie Award 2020 for 'Sales & Customer Service', TruCap+ IDP won People's Choice Stevie Award 2020 for 'Favourite New Products'
- Datamatics won the CRN Excellence Award 2020 for its innovative virtual reality gaming App for Alzheimer's patients

C. Business drivers

Products & Platforms: Datamatics is investing in developing as well as updating its own IP solutions in the digital technology space. Datamatics Intelligent Automation Platform (IAP) is a unified platform to automate a series of tasks, processes, and unstructured and semi-structured data in documents. The IAP combines the capabilities of TruBot for Robotic Process Automation (RPA), TruCap+ for Intelligent Document Processing (IDP) along with artificial intelligence (AI)/machine learning (ML) models developed by Datamatics. Apart from this Datamatics has developed iPM for end-to-end workflow management, TruBI for business intelligence & data visualization and TruFare for Automated Fare Collection. All these products and platforms are getting good traction in the market.

In FY21, Datamatics launched a new AI-enabled TruCap+ IDP solution which was recognized as a Major Contender and Star Performer by Everest Group in its IDP PEAK Matrix® 2021

Partner and reseller channels: On the back of product strategy, Datamatics continues to invest in expanding its partner network. The evolving partner ecosystem will increase the sales momentum and will ensure smooth implementation and support for Datamatics IP products globally. The partner strategy has now started showing results with some deals being closed and a healthy pipeline.

Automated Fare Collection (AFC): This has been a focus area for Datamatics, with it being the only Indian company to have highly evolved AFC, Smart Gates, and Contactless Gates service offerings. Datamatics sees this as a huge opportunity in US and emerging economies around the world, including India. Currently Datamatics has made substantial progress in implementing AFC solutions for Mumbai Metro (Line 2A and 7); and Memphis Area Transit Authority (MATA), the public transportation provider for the Memphis area, USA.

Digital Solutions – Intelligent Automation, Digital Experiences, Cloud: Datamatics is well positioned to implement digital technologies, such as Intelligent Document Processing, Robotic Process Automation, Digital Experiences, Analytics, Cloud, and Artificial Intelligence for its customers. Datamatics with its experience and expertise has carved a niche for itself towards becoming a strategic partner to its valued customers and offering intelligent solutions that will enable businesses to further evolve by improving productivity and enhancing customer satisfaction. In FY 21, Datamatics continued making significant efforts and investments in strengthening its digital footprint.

Account Penetration: Datamatics has customers across industries; many of these are Fortune 500 companies.



Datamatics is focusing on deeper penetration within the customer accounts through account management for cross-selling and up-selling through its integrated sales and marketing efforts.

Branding & Marketing: Datamatics has been investing in marketing and branding efforts for increasing visibility, strengthening digital footprint and geographic reach. In FY21 Datamatics successfully concluded its virtual Intelligent Automation Summit which was attended by over 1700 senior professionals from different industries across Americas, Europe, Middle East and India regions.

D. Business performance

Datamatics consolidated revenue was at ₹ 11,491 million, down by 4.5%, in constant currency down by 8.5% vis-à-vis FY 19-20 and profit after tax increased by 25.1%. of the total revenue, IT solutions - include application management services, digital solutions such as Robotic Process Automation, Digital Experiences, Cloud solutions, analytics as well as Automated Fare Collection - constitute 51%. On the other hand, Business Process Management constitute 49% of total revenues. The revenues from IT solutions de-grew by 16.9% and Business Process Management grew by 13.2% year-on-year.

E. Financial performance

Balance Sheet

Equity and Liabilities

EQUITY

Particulars	(₹ in millions)		
	March 31, 2021	March 31, 2020	Change
Equity share capital	294.75	294.75	-
Other equity	6,864.64	6,564.18	300.46
Non-controlling interests (NCI)	(6.94)	220.15	227.09
Total equity	7,152.45	7,079.08	73.37

❖ Owner's equity - Has increased from ₹ 6,858.9 million to ₹ 7,159.4 million, movement is primarily attributed to total comprehensive income of ₹ 1,025.8 million and removal of equity of ₹ 745.5 million of Cignex due to its divestment.

❖ Non-controlling interest - Reduced from ₹ 220.2 million to ₹ (-) 6.9 million, primarily due to removal of NCI pertaining to Cignex due to its divestment.

LIABILITIES

Particulars	(₹ in millions)		
	March 31, 2021	March 31, 2020	Change
Non-current liabilities	382.89	440.18	(57.29)
Current liabilities other than borrowings	1,545.32	1616.44	(71.12)
Total liabilities	1,928.21	2,056.62	(128.41)

❖ Non-current liabilities includes maturity of lease liabilities, creditors for capital expenditure, fair value of outstanding forward contracts and provision for employee benefits plan. The decrease in Non-current liabilities is primarily due to decrease in fair value of outstanding forward contracts from ₹ 51.7 million to ₹ 5.1 million.

❖ Current liabilities other than borrowings includes trade payable, fair value of outstanding forward contracts, fair value of outstanding contingent consideration, maturity of lease liabilities, unearned revenue, advance from customers, accrued employee liabilities, unpaid dividend and other contractual

liabilities. The decrease is primarily attributed to decrease in fair value of outstanding forward contracts by ₹ 30.5 million, fair value of outstanding contingent consideration by ₹ 22.2 million as the same was settled during the year, statutory dues by ₹ 54.3 million and unearned revenue by ₹ 75.8 million and offset by increase in advance from customers by ₹ 93.5 million.

ASSETS

Particulars	(₹ in millions)		
	March 31, 2021	March 31, 2020	Change
Non-current Assets			
Property, Plant and Equipment, capital work in progress	1,155.00	1,187.42	(32.42)
Goodwill / other intangibles	979.40	2,289.66	(1,310.26)
Other non-current assets	531.88	462.20	69.68
Total	2,666.28	3,939.28	(1,273.00)

❖ Addition to Fixed assets were ₹ 164.2 million during the year as compared to ₹ 210.1 million in previous year.

❖ Goodwill / Intangibles reduction is primarily due to impairment of ₹ 365.9 million and removal of goodwill due to Cignex Divestment ₹ 833.4 million.

❖ Others non-current assets includes investments, deferred tax and non-current tax. Increase is mainly in deferred tax assets and non-current tax assets.

Particulars	(₹ in millions)		
	March 31, 2021	March 31, 2020	Change
Current Assets			
Investment, cash and cash equivalents, bank balances (Cash, bank and investments)	2,584.51	2,242.19	342.32
Less- Current Borrowings	-	(964.64)	964.64
Net Cash, bank and investments	2,584.51	1,277.55	1,306.96
Receivables	1,835.01	2,724.51	(889.50)
Other	1,994.86	1,194.36	800.50
Total	6,414.38	5,196.42	1,217.96

❖ Primary reason for increase in cash, bank and investment balances is due to significant improvement in collection, days sales outstanding reduced significantly from 83 days as of March 31, 2020 to 65 days as of March 31, 2021.

❖ Other current assets includes security deposits, unbilled revenue, balances with government authorities, prepaid expenses and other financial assets. Other assets mainly increased due to receivable from Cignex toward divestment of Cignex stake amounting to ₹ 640.8 million and increase in unbilled revenue by ₹ 129.5 million.

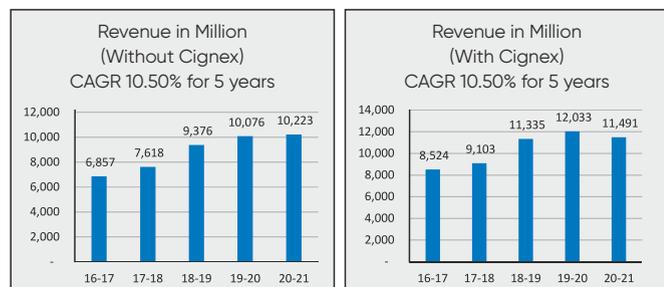
Statement of Profit and Loss

Revenue from operations

❖ Revenue at ₹ 11,490.1 million; down 4.5% YoY because of non-inclusion of Cignex revenue in Q4FY21 and impact of pandemic in the initial quarters. Revenue without Cignex in FY21 was ₹ 10,223.8 million as compared to ₹ 10,076.3 million in FY20, an increase of 1.5%.

❖ Our adjusted quarterly revenue rate is now approximately ₹ 2500 million with a spike in the fourth quarter due to the tax return processing business that we do.

❖ 5 years revenue and CAGR without Cignex and with Cignex is as below:



Other Income

(₹ in millions)

Particulars	March 31, 2021	March 31, 2020	Change
Exchange gain	21.04	152.63	(131.59)
Interest, dividend and profits on investments	34.09	21.51	12.58
Interest others	20.14	1.19	18.95
Miscellaneous Income (including Advances and excess provisions written back and profit on sale of fixed assets)	32.26	29.77	2.49
Total	107.53	205.10	(97.57)

❖ The decrease in other income is primarily due to exchange gains.

❖ Interest others mainly includes interest on income tax refunds and interest accrued on amount receivable from Cignex toward redemption of its shares.

Expenditure

❖ Operating expenses (excluding depreciation and finance costs) include purchase of IT products and licenses, employee benefits expense and other expenses. The total operating expenses stood at ₹ 10,068.1 million in FY 2020-21 compared to ₹ 10,797.5 million in FY 2019-20. Operating expenses as a percentage to revenue has decreased from 89.7% of revenue in FY 2019-20 to 87.6% of revenue in FY 2020-21.

❖ Employee benefits expense has decreased to ₹ 7,707.9 million in FY 2020-21 from ₹ 7,750.7 million in FY 2019-20. Employee benefit expenses have increased from 64.4% of

revenue in FY 2019-20 to 67.1% of revenue in FY 2020-21.

Depreciation and Amortization

❖ Depreciation charge has increased to ₹ 394.8 million in FY 2020-21 from ₹ 370.0 million in FY 2019-20.

Exceptional items

(₹ in millions)

Particulars	March 31, 2021	March 31, 2020	Change
Profit on Sale of Investment	36.50	-	36.50
Impairment of goodwill and other assets	(365.89)	157.72	(523.62)
Exchange gain on sale of financial assets	315.96	-	315.96
Total	(13.43)	157.72	(171.16)

❖ Exchange gains of ₹ 316.0 million, arising from buy back of equity capital and redemption of preference capital held in overseas subsidiaries.

❖ Profit on divestment of ₹ 36.5 million, of Cignex Datamatics Corporation BVI.

❖ Impairment charges of ₹ 365.9 million, created on goodwill, investment and other assets of some subsidiaries, based on management's assessment of changes in market conditions.

❖ During the previous year, On April 20, 2020, Duo Consulting Inc. ("Duo"), a subsidiary of Cignex Datamatics Inc. (Cignex USA), entered into a sale and assignment agreement ("Asset Purchase Agreement") with a third party. Under the terms of the agreement, Duo has agreed to sell contracts and computer system, assign its employees along with customer contracts, and business IT systems. Consequently, the Management of the Holding Company, in its annual assessment for goodwill impairment, has impaired the goodwill associated with Duo amounting to ₹ 157.7 million in the consolidated financial results.

Tax expense

❖ The tax expense for the year amounted to ₹ 253.5 million against ₹ 261.8 million for the previous year. The Effective Tax Rate (ETR) for the year amounted to 23.2% as compared to 29.8% in the previous year.

Profit after Tax

❖ Net profit after non-controlling Interest increased from ₹ 637.4 million in FY 2019-20 to ₹ 797.5 million in FY 2020-21.

Cash flow

(₹ in millions)

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
Operating activities	1,017.75	834.81	896.07	550.59	862.11
Investing activities	(792.95)	(96.50)	(647.76)	(370.93)	(233.11)
Financing activities	(989.83)	514.01	(369.97)	(38.35)	(563.33)
Net Cash flow during the year	(765.03)	1252.32	(121.66)	141.21	65.67



Key Financial Ratios

Key financial ratios for last 5 years

Particulars	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017
Profitability Ratios					
EBITDA Margin	12.4%	10.3%	11.8%	9.0%	9.7%
PBT Margin	9.5%	7.3%	10.1%	9.3%	8.1%
PAT Margin	6.9%	5.2%	6.5%	6.9%	7.5%
EPS Basic (Rs.)	13.53	10.81	12.64	10.87	10.85
Liquidity Ratios					
Current Ratio (In Times)	4.15	2.38	2.84	2.44	2.63
Quick Ratio (In Times)	3.81	2.21	2.63	2.34	2.52
Efficiency Ratios					
Debtors Turnover (No. of days)	65	83	79	82	68
Leverage Financial Ratios					
Debt/Equity Ratio (In Times)	-	0.14	0.05	0.11	0.10
Return on Equity Ratio	13.5%	11.4%	15.8%	10.1%	10.4%

F. Risk management

The Company's global operations bring in considerable complexities and in response to that, Datamatics has established a robust enterprise risk and compliance management framework and process. This process provides an enterprise-wide view of risks and compliance which enables it to take a more holistic approach towards informed decision making. Some significant risks that could hinder Company operations are identified below:

Global Economic Risk

Datamatics derives majority of its revenues from overseas geographies. The changing economic conditions, inflation, reforms in tax laws, fiscal and monetary policies in these markets could enhance cost pressure and affect the Company adversely in several ways. The Company may also witness price reduction, lose key projects and customers, deterring financial performance.

Datamatics mitigates global economic risk by generating business from new market segments and enhances steeper growth in geographies other than the US and Europe.

Employee Related Risks

Datamatics' business is dependent on the quality of its workforce. Company's inability to attract, retain and motivate key employees would impair its ability to offer the right quality of service to the clients.

As a talent-driven organization, the Company's key goal is to have the best talent, with highly specialized skills in every business vertical, at the right levels and at the right locations, to enhance differentiation and competitiveness.

It strives to maintain its position as the employer of choice. Its Human Resources Department (HRD), is aligned with the Company's vision to attract, retain, and nurture high-quality talent.

The Company consistently tries to create a culture of learning and continuous improvement, to build and grow employee's career, across all HR functions.

Business Continuity and Information Security

Datamatics is fully aware of Business Continuity risks arising out of global disruptions such as natural disasters, IT outages, cyber, pandemic, terror and unrest, power disruptions, to name a few. This is likely to hinder availability of people and process, technology and infrastructure.

The Company has a well-defined, robust and tested Business Continuity Plan (BCP) and Disaster Recovery (DR) processes in place. There are primary and secondary locations identified and equipped with the necessary infrastructure and facilities to ensure that the business processes can continue uninterrupted. There are dedicated, trained and empowered cross-functional teams at various levels in all locations to ensure that the BCP and DR processes are implemented in shortest possible times. Readiness according to the BCP and DR processes are regularly tested through surprise mock drills and audits. The audit and mock-drill findings are reviewed by senior management in Management Information Security Forum (MISF). In the past, the readiness was successfully verified in real scenario during the floods in Nasik and Chennai / Puducherry locations. The Company could bring up customer processes at the BCP and DR locations well-within the defined timelines. The Company was appreciated by customers for the several such occasions.

The Company's operations and ISMS have been successfully assessed and are compliant to ISO 27001:2013, SSAE 16 SOC 1 and SOC2 requirements and HIPAA requirements. The Company is in the final stages of renewing its PCI-DSS certification. These standards are extremely important for financial, insurance and healthcare industries.

Moreover, Datamatics successfully implemented Security Information and Event Management (SIEM) solution, strengthening Information security management framework.

Competition Risk

The technology market is evolving at a lightning speed. The world is moving towards smart automation and the emerging digital technologies are disrupting and changing the paradigm of business operations across Industries. This

enhances the risk of competition. Datamatics manages to mitigate the competition risk by adopting the following measures:

- Datamatics invests in new technologies and product development in Robotics, Artificial Intelligence, Mobility and Analytics and consistently updates its own IP solutions in the digital technology space.
- With rapid urbanization, Datamatics is focusing on areas such as Automated Fare Collection, Smart Gates, and Contactless Gates service offerings to name a few. Datamatics has deep domain knowledge, skilled professionals, delivery capabilities and efficient sales force along with relationship managers to help retain its competitive positioning amongst peers.
- Adopting a customer centric approach together with its ability to innovate customer specific solutions, through its in-house incubation hub, DataLabs, Datamatics conducts research and development based on emerging trends and cutting-edge technologies.
- Datamatics aggressively invests in widening its partner network and believes that the evolving partner ecosystem will increase sales momentum and ensure smooth implementation and support for Datamatics IP solutions globally.

Legal and Regulatory Compliance Risk

Datamatics is exposed to greater compliance risks than ever before due to its presence in multiple developed and developing countries. Data Privacy and protection of personal data is a high priority concern globally. Legislations such as General Data Protection Regulation (GDPR) in Europe and California Consumer Privacy Act (CCPA) in the United States carry severe consequences for non-compliance or breach. Any violation or security breach, non-compliance or inadequacy of privacy policies and procedures can result in substantive liabilities, penalties and reputation impact.

To keep the Company protected against the risk of data privacy breach, all its contracts with the customers in the EU region have been revised to incorporate GDPR requirements. A dedicated Data Protection Officer (DPO) has been appointed to address issues, if any, raised around GDPR compliance. Regular online training and workshops on Data Privacy and GDPR are conducted to foster a culture of awareness and responsibility among its employees. GDPR awareness is an integral part of the employee induction program.

Datamatics also uses services of professional consultants under the supervision of its dedicated in-house compliance team which is equipped to anticipate compliance risks and ensure compliance with domestic as well as overseas laws and regulations. Changes in the applicable regulations are monitored and tracked on a global basis.

Currency Risk

Datamatics derives majority revenues in foreign currencies. Volatility in currency exchange movements negatively impacts Company's financial performance. Through appropriate hedging strategy and business marketing practices aligned

with market best practices, the management team takes adequate steps to minimize currency-related value erosion. The Company consistently reviews economic scenario and updates policies accordingly.

Internal Control Systems and their Adequacy

Datamatics has mechanisms in place to establish and maintain adequate internal controls over all operational and financial functions. The Company intends to undertake further measures as necessary in line with its intent to adhere to procedures, guidelines, and regulations as applicable in a transparent manner.

The Company has appointed, M/s. SKPAG & Co., Chartered Accountants, Mumbai as Internal Auditors of the Company. During the year, the Internal Auditor has carried out Company audit on significant areas affecting the Company's business. The Audit Committee reviews its findings and recommendations at periodic intervals.

The Company's internal control system is adequate considering the nature, size and complexity of its business.

G. Outlook

It is one year since COVID-19 was declared a global pandemic and the threat of pandemic is far from over. Though world economy is recovering and the economic outlook is positive, the uncertainties related to the pandemic spread and severity within different regions and corresponding lockdowns can severely impact the businesses across the world.

Like last year, Datamatics priorities continue to be employee well-being, servicing and retaining customers and tightly managing cash-flows.

Employee well-being is of foremost importance for Datamatics. Protecting the health and life of all Datamaticians and their families occupies center stage. At a company level, Datamatics is implementing all the guidelines recommended by the Government to ensure the safety and well-being of employees and to reduce the spread of the pandemic in the society at large.

Headcount

The total number of Employees including subsidiaries as on March 31, 2021 was 10,669 as against 10,383 as on March 31, 2020.

Focus on customers. During past one year Team Datamatics worked exceedingly well working from home as well as in hybrid model and ensured continuity of services for our customers. Datamatics has the necessary infrastructure in place to ensure smooth functioning of business. Datamatics was appreciated by several of its customers for its delivery excellence over the past year and has received commendations from its customers.

As customers are increasingly adopting digital technologies to drive their businesses, it has provided an excellent opportunity to partner with them in implementing digital transformation solutions that would enable them to remain competitive. The Company has seen an increased demand from its customers for digital technologies and is fully geared up to service them.

Managing cash-flow and cost optimization continues to be a top priority for the company. The Datamatics Management



team is keeping a keen eye on cash flow, taking all the necessary efforts to actively conserve cash and curtail all discretionary spends.

Looking ahead, Datamatics will continue to focus on technologies, such as Intelligent Document Processing, Robotics, Cloud, Digital Experiences, Analytics, and Artificial Intelligence. These digital technologies are some of the thrust areas for Datamatics and the company is investing in developing intelligent innovative solutions in these areas.

Datamatics will continue to invest in developing as well as updating its own IP solutions in the digital technology space. Datamatics is expanding its partner network and believes that the evolving partner ecosystem will increase the sales momentum and will ensure smooth implementation and support for Datamatics IP solutions globally.

In addition to digital technologies, Datamatics has been focusing on areas, such as Automated Fare Collection and Smart transport as growth areas in India as well as across the globe and will continue the focus.

Datamatics is seeing an increase in demands in technology spending cycles, both from new and existing clients. This acceleration is expected to remain a key growth driver for the IT industry for the next few years as digital transformation plays out. It is an era of technology upgradation which is creating huge opportunities for the IT industry. Datamatics is also seeing specific opportunities in the process automation and dynamic content management areas.

Overall, Datamatics is well prepared to address the challenge posed by COVID-19 pandemic and remains cautious and at the same time confident of sustaining the growth momentum in coming year.

Report on Corporate Governance

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is an integral part of Datamatics' philosophy. It is a reflection of the culture, values and policies of the Company. To meet its obligations towards its shareholders and other stakeholders, the Company has a corporate culture of conscience and consciousness; integrity, transparency and accountability for efficient and ethical conduct of business. It aims at highest standards of transparency, integrity, fairness, and accountability as well as equal treatment to all the stakeholders comprising of regulators, employees, investors, customers, vendors and the society at large.

Realizing the criticality of sound corporate governance practices to enhance shareholders and stakeholders trust, the Company observes the highest level of ethics in all its dealings. Apart from complying with the statutory requirements, effective systems and practices towards improving internal controls and promotion of ethics at work place have been institutionalized.

The Board of Directors provides leadership and guidance for establishing and executing Corporate Governance practices by balancing economic and social goals commensurate with individual and society goals at large. At Datamatics, Corporate Governance practices are effectively implemented and enforced through self-regulation as well as by adopting code of conduct & ethics.

The Company firmly believes that corporate governance standards should go beyond the law and must satisfy the spirit

of law and not just the letter of the law. This is a way of life at Datamatics and is driven relentlessly across the organization.

Your Company is in compliance with the requirements of Corporate Governance stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and the Companies Act, 2013 ('the Act').

II. BOARD OF DIRECTORS

a. Size and Composition of the Board:

The Board of Directors, along with its Committees, critically evaluates the Company's strategic direction, entrepreneurial leadership, management policies, possible risks and risk mitigation measures and their effectiveness. Thus, the Board provides strategic roadmap for the Company's future growth.

The Board has an optimum combination of Executive and Non-Executive Directors with effective balance of Independent and Non-Independent Directors, in conformity with Regulation 17(1) of the SEBI Listing Regulations and other applicable regulatory requirements.

Currently, the Board of Directors comprises of Eight eminent persons of proven competence and integrity. The names and category of Directors on Board of the Company, name of the listed entities in which the Director is a Director and number of Directorships / Committee Membership(s) / Chairmanship(s) held by them in other Companies as on March 31, 2021 is summarized as under:

Name	Category	Directorship(s)/Committee Membership(s)/Chairmanship(s)			Directorship in other listed entities
		Directorship(s) (see note no.1)	Committee Membership(s) (see note no. 2)	Chairmanship(s) (see note no. 2)	
EXECUTIVE DIRECTORS					
Dr. Lalit S. Kanodia Chairman & Whole -Time Director [@]	Promoter Non-Independent	4	-	-	RPG Life Sciences Limited, Independent Director
Mr. Rahul L. Kanodia Vice Chairman & CEO	Promoter Group Non-Independent	4	-	-	Safari Industries (India) Limited, Independent Director
NON-EXECUTIVE DIRECTORS					
Mr. Sameer L. Kanodia	Promoter Group Non-Independent	3	1	-	NA
Mrs. Asha L. Kanodia	Promoter & Non-Independent	-	-	-	NA
Mr. R. K. Saraswat	Independent	3	2	2	<ul style="list-style-type: none"> Priya International Limited, Independent Director; Priya Limited, Independent Director.
Mrs. Mona Bhide	Independent	2	1	-	<ul style="list-style-type: none"> Vinati Organics Limited; Non-Executive Independent Director
Mr. Dilip D. Dandekar	Independent	6	1	1	<ul style="list-style-type: none"> Kokuyo Camlin Limited; Executive Director Camlin Fine Sciences Limited Non-Executive Non-Independent Director
Mr. Vinay M. Aggarwal [#]	Independent	-	-	-	NA

[@] Dr. Lalit S. Kanodia was re-appointed as Chairman & Whole Time Director of the Company with effect from May 15, 2020.

[#] Mr. Vinay M. Aggarwal was re-appointed as an Independent Director for the second consecutive term with effect from August 28, 2020.

**Notes:**

1. Directorship excludes directorship on the Board of Private Limited Companies, Foreign Companies, Alternate directorship, Companies under Section 8 of the Act and Datamatics Global Services Limited;
2. This includes the Chairmanships/Memberships only in the Audit Committee and Stakeholders Relationship Committee of all listed and unlisted companies excluding Datamatics Global Services Limited.

None of the Directors on the Board are members of more than 10 (Ten) Committees or Chairman of more than 5 (Five) Committees as specified in Regulation 26 of the SEBI Listing Regulations across all the Companies in which they are Directors.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. The Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

b. Board Meeting and Procedures:

The Board, to look at the long-term strategic planning, financial statements and policy reviews, meets at least once in a quarter to review financial results and operations of the Company. The Notice along with the agenda of the Board/Committee Meeting and comprehensive notes are

given well in advance to all the Directors to enable them to take informed decisions. In case of special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by the Act, and are placed and confirmed by the Board at the next Board Meeting. The Agenda for the Board/Committee meetings are prepared by the Company Secretary in consultation with the Chairman, CEO and CFO of the Company. Every Director of the Company has liberty to recommend inclusion of items on the agenda.

All statutory and other matters of significant importance including information as mentioned in Schedule II Part A of the SEBI Listing Regulations are tabled before the Board for their discussions and consideration. The compliance reports of applicable laws, rules and regulations and the minutes of the meetings of the Committees of the Board and of the subsidiary companies are placed before the Board.

The draft Minutes are circulated amongst the members of the Board for their perusal. Comments, if any, received from the Directors are incorporated in the Minutes, in consultation with the Chairman. The Minutes are noted by the members and signed by the Chairman of the Board at the next Meeting.

During the financial year 2020-21, 6 (Six) Board Meetings were held on **May 14, 2020; September 10, 2020; November 04, 2020; November 24, 2020; January 28, 2021 and March 22, 2021**. The necessary quorum was present for all the meetings. With reference to the Regulation 17 of the SEBI Listing Regulations, the gap between the two Board Meetings has not exceeded one hundred and twenty days.

The attendance of each Director at the Board Meetings for the financial year 2020-21 and the last Annual General Meeting is detailed as under:

Name of the Director	Board Meetings		Attendance at the last Annual General Meeting held on December 26, 2020
	Held	Attended	
Dr. Lalit S. Kanodia	6	6	Yes
Mr. Rahul L. Kanodia	6	6	Yes
Mr. Sameer L. Kanodia	6	6	Yes
Mr. R. K. Saraswat	6	6	Yes
Mr. Dilip D. Dandekar	6	6	Yes
Mrs. Asha L. Kanodia *	6	4	Yes
Mr. Vinay M. Aggarwal	6	6	Yes
Mrs. Mona Bhide	6	6	Yes

* Mrs. Asha L. Kanodia was appointed as an Additional Director designated as Non Executive Non Independent Director of the Company by the Board of Directors in their meeting held on September, 10, 2020. Her appointment as Non Executive Non Independent Director of the Company was regularized by the members of the Company in the Annual General Meeting held on December 26, 2020.

c. Disclosure of relationships between Directors inter se:

- Mr. Rahul L. Kanodia and Mr. Sameer L. Kanodia are sons of Dr. Lalit S. Kanodia and Mrs. Asha L. Kanodia.
- Mrs. Asha L. Kanodia is wife of Dr. Lalit S. Kanodia.

d. Details of shares and convertible instruments held by Non-Executive Directors:

- Mr. R. K. Saraswat is holding 1,000 shares in the Company.
- Mr. Sameer L. Kanodia is holding 14,72,858 shares in the Company.
- Mrs. Asha L. Kanodia is holding 33,05,258 shares in the Company.

e. Familiarization Program for Independent Directors:

All the Independent Directors inducted on the Board are given an orientation program about Company's nature of industry, business model, group structure, organization structure and such other areas. These programs provide insights into the Company to enable them to perform their roles, duties, responsibilities and make effective contribution as Independent Directors of the Company. The details on the Company's methodology of the Familiarization Program and the details of familiarization programs imparted to Independent Directors can be accessed at <https://www.datamatics.com/about-us/investor-relations/corporate-governance>

f. Key Board qualifications, Expertise and Attributes

The Company's Board comprises qualified members who bring in the required skills, competence and expertise that allow them to make effective contribution to the Board and its committees. The Board members are committed to

ensuring that the Company is in compliance with the highest standards of corporate governance.

The table below summarizes key qualifications, skills and attributes which are taken into consideration while nominating candidates to serve on the Board.

Sr. No.	Key qualifications, skills and Attributes
A1	General Management and Business Operations
A2	Thought Leadership
A3	CEO/Senior Management Experience
A4	IT Industry
A5	Public Policy/Governmental Regulations
A6	Accounting/Finance/Legal

Sr. No.	Key qualifications, skills and Attributes
A7	Risk Management
A8	Human Resources Management
A9	Strategy/M&A/Restructuring
A10	Corporate Governance
A11	Business Development/Sales/Marketing
A12	International Business

Name of Director	A1	A2	A3	A4	A5	A6	A7	A8	A9	A10	A11	A12
Dr. Lalit S. Kanodia	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Rahul L. Kanodia	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mrs. Asha L. Kanodia	✓	✓	-	✓	✓	✓	-	-	-	✓	✓	-
Mr. Sameer L. Kanodia	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. R. K. Saraswat	✓	✓	✓	✓	✓	✓	-	-	✓	✓	✓	✓
Mr. Dilip D. Dandekar	✓	✓	✓	-	✓	✓	✓	-	✓	✓	✓	✓
Mr. Vinay M. Aggarwal	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	✓	✓
Mrs. Mona Bhide	✓	✓	✓	-	✓	✓	✓	-	✓	✓	✓	✓

III. COMMITTEES OF THE BOARD:

Currently, the Board has the following four committees:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders Relationship Committee;
4. Corporate Social Responsibility Committee;
5. Risk Management Committee.

AUDIT COMMITTEE

The Company has constituted a well-qualified and independent Audit Committee as required under Section 177 of the Act, read with Rules thereto, and is also in compliance with Regulation 18 of the SEBI Listing Regulations. The role of audit committee and the information reviewed by it is as per Part C of Schedule II of the SEBI Listing Regulations, including but not limited to overseeing financial reporting process, review of financial results and related parties transactions, recommendation of appointment, remuneration and terms of auditors and internal auditors, scrutiny of intercorporate loans and investments and to ensure accurate and timely disclosures with the highest levels of transparency, integrity and quality of financial reporting.

The Company Secretary of the Company acts as Secretary of the Committee.

Description of Terms of Reference:

The terms of reference of the Audit Committee are as follows:

- i. Review of financial statements before they are submitted to the Board for adoption;
- ii. Recommending the appointment or removal of statutory auditors, fixation of audit fees, terms of auditors, and approval for payment for other services provided by the

auditors;

- iii. Review of quarterly, half yearly and yearly financial statements and audit report before they are presented to the Board, focusing inter-alia upon:

- Accounting Policies and any changes thereto;
- Major accounting entries based upon exercise of judgment by the management;
- Ensuring compliance with the Accounting Standards;
- Significant issues arising out of audit;
- Any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interest of the Company at large;
- 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 314 of the Companies Act, 2013;
- Modified opinion(s) in the draft audit report;
- Compliance with the laws, rules, regulations and notification issued by the Stock Exchange and other regulatory authorities relating to the preparation and disclosure of financial statements.

- iv. Review and monitor auditor's independence and performance and effectiveness of the audit process;
- v. Approve any subsequent modification of the transactions with the Related Parties;
- vi. Scrutiny of inter corporate loans and investments;
- vii. Valuation of undertaking and assets;
- viii. Review with the management, performance of the statutory

- and internal auditors and the adequacy of internal control systems;
- ix. Discussion with the Statutory Auditors before commencement of the audit, nature and scope of audit, as well as post audit discussion to ascertain any area of concern;
 - x. Review of the Company's financial and risk management systems;
 - xi. Investigating the reasons for substantial defaults, if any, in the payment to the depositors, shareholders. (In case of non-payment of declared dividends), and creditors;
 - xii. Audit Committee to call for comments of the auditors about internal control systems, scope of audit including the observations of the auditors and review of the financial statements before submission to the Board;
 - xiii. Adequate safeguards against victimization of person who use Vigil Mechanism and make provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases;
 - xiv. Authority to investigate into any matter in relation to the items specified above or referred to it by the board and for this purpose the Audit Committee to have power to obtain professional advice from external sources and have full access to information contained in the records of the company;
 - xv. 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 & background, etc. of the candidate;
 - xvi. 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;
 - xvii. Consider any other matter as may be requested by the Board;
 - xviii. Any other terms of references as may be included from time to time as per Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - xix. Perform such other functions as may be necessary or appropriate for the performance of its duties.

▪ **Composition, Name of Members and Chairman:**

The Audit Committee comprised of 4 (four) members i.e. 3 (three) Non-Executive Independent Directors viz. Mr. Vinay M. Aggarwal (Chairman), Mr. Dilip Dandekar and Mr. R. K. Saraswat and 1 (One) Executive Director viz. Mr. Rahul L. Kanodia.

All members of the Committee are well versed with finance, accounts, corporate laws and general business practices. The Company Secretary of the Company acts as the Secretary of the Committee.

The meetings of Audit Committee are also attended by Chief Financial Officer and Partner of Statutory Auditors. Minutes of the Committee meetings are circulated to the Members and are placed before the Board for noting. The role of Audit Committee and the information reviewed by it is as per Part C of Schedule II of SEBI Listing Regulations including but not limited to overseeing of financial reporting process, review of financial results and related parties transactions, recommendation of appointment,

remuneration and terms of statutory and internal auditors, scrutiny of intercorporate loans and investments, evaluation of internal financial controls and risk management systems.

▪ **Meetings and Attendance during the year:**

During the year under review, the Committee met 6 (Six) times on **May 14, 2020; September 10, 2020; November 04, 2020; November 24, 2020; January 28, 2021 and March 22, 2021** and the gap between the two meetings did not exceed one hundred and twenty days. The Chairman of the Audit Committee attended the last AGM held on December 26, 2020.

The details of Committee meetings held and attended by its members are given below:

Name	Category	Designation	No. of Meetings	
			Held	Attended
Mr. Vinay M. Aggarwal#	Independent	Chairman	6	6
Mr. R. K. Saraswat#	Independent	Member	6	6
Mr. Rahul L. Kanodia	Non-Independent	Member	6	6
Mr. Dilip D. Dandekar	Independent	Member	6	6

Mr. Vinay M. Aggarwal was appointed as Chairman of the Audit Committee and Mr. R. K. Saraswat stepped down as the chairman and continued as the member of the Audit Committee with effect from January 28, 2021.

NOMINATION AND REMUNERATION COMMITTEE (NRC)

The Nomination and Remuneration Committee is constituted in line with the provisions of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations. The role of this committee and the information reviewed by it is as per Part D of Schedule II of SEBI Listing Regulations.

• **Description of Terms of Reference:**

The terms of reference of the NRC are as under:

- i. Periodically reviewing the size and composition of the Board to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills;
- ii. Formulation of the criteria for determining such as qualifications, positive attributes and independence for appointment of persons as Directors;
- iii. Formulation of criteria for evaluation of performance of Independent Directors and Board of Directors;
- iv. Devising a policy on diversity of Board of Directors;
- v. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal;
- vi. Recommend to the Board all matters relating to the compensation (including annual increments, incentives and revision in salary) payable by the Company to the Senior Management;
- vii. To recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees. While formulating the policy, the Committee shall ensure that—

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- viii. Consider any other matter as may be requested by the Board;
- ix. Any other terms of references as may be included from time to time as per Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- x. Perform such other functions as may be necessary or appropriate for the performance of its duties.

▪ **Composition, Name of Members and Chairman:**

The Nomination and Remuneration Committee (NRC) comprised of 3 (three) members i.e. Mr. Vinay M. Aggarwal (Chairman, being Non-Executive Independent Director), 1(one) Executive Director viz. Dr. Lalit S. Kanodia and 1(one) Non-Executive Independent Director viz. Mr. R. K. Saraswat.

The Company Secretary of the Company acts as the Secretary of the Committee.

▪ **Meetings and Attendance during the year:**

During the year under review, the Committee met 2 (Two) times on **May 14, 2020 and September 10, 2020**. The Chairman of the Nomination and Remuneration Committee attended the last AGM held on December 26, 2020.

The details of Committee meetings held and attended by its members are given below:

Name	Category	Designation	No. of Meetings	
			Held	Attended
Mr. Vinay M. Aggarwal#	Independent	Chairman	2	2
Dr. Lalit S. Kanodia	Non-Independent	Member	2	2
Mr. R. K. Saraswat #	Independent	Member	2	2

Mr. Vinay M. Aggarwal was appointed as Chairman of the Nomination and Remuneration Committee and Mr. R. K. Saraswat stepped down as the chairman and continued as the member of the Nomination and Remuneration Committee with effect from January 28, 2021.

▪ **Performance evaluation criteria for Independent Directors:**

The performance evaluation framework is in place and has been circulated to all the Directors. The factors that are evaluated includes participation and contribution by a Director, commitment and efforts taken by Director to promote mutual trust and respect, assisting in implementing and enhancing corporate governance activities, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgement.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of the Company is constituted in accordance with the provisions of Section 178 of the Act and Regulation 20 of SEBI Listing Regulations. The role of the Stakeholders Relationship Committee is as specified in Part D of Schedule II which includes - to consider and resolve the grievances of the security holders including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

• **Description of Terms of Reference:**

The terms of reference of the Stakeholders Relationship Committee are as under:

- i. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- ii. Review of measures taken for effective exercise of voting rights by shareholders;
- iii. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- iv. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;
- v. Resolve the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- vi. Review measures taken for effective exercise of voting rights by shareholders;
- vii. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- viii. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;
- ix. Consider any other matter as may be requested by the Board;
- x. Any other terms of references as may be included from time to time as per Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- xi. Perform such other functions as may be necessary or appropriate for the performance of its duties.

▪ **Composition, Name of Members and Chairman:**

The Stakeholders Relationship Committee comprised of 3 (three) members i.e. 2 (two) Non-Executive Independent Directors viz. Mr. Vinay M. Aggarwal (Chairman) and Mr. R. K. Saraswat and 1 (one) Executive Director viz. Mr. Rahul L. Kanodia.



The Company Secretary of the Company acts as the Secretary of the Committee.

▪ **Meetings and Attendance during the year:**

During the year under review, the Committee met 4 (Four) times on **May 14, 2020, September 10, 2020, November 04, 2020 and January 28, 2021**. The Chairman of the Stakeholders Relationship Committee attended the last AGM held on December 26, 2020.

The details of the Committee meetings held and attended by its

Name	Category	Designation	No. of Meetings	
			Held	Attended
Mr. Vinay M. Aggarwal#	Independent	Chairman	4	4
Mr. R. K. Saraswat #	Independent	Member	4	4
Mr. Rahul L. Kanodia	Executive Director	Member	4	4

Mr. Vinay M. Aggarwal was appointed as Chairman of the Stakeholders Relationship Committee and Mr. R. K. Saraswat stepped down as the chairman and continued as the member of the Stakeholders Relationship Committee with effect from January 28, 2021.

Name, Designation and Address of Compliance Officer:

Ms. Divya Kumart,
Executive Vice President, Chief Legal Officer & Company Secretary
Datamatics Global Services Limited
Knowledge Centre, Plot No. 58, Street No. 17,
MIDC, Andheri (East), Mumbai – 400 093.
Tel: +91-22-6102 0000 | Fax: +91-22-28343669
Email: investors@datamatics.com

▪ **The details of shareholders grievances received and resolved during FY 2020 –21 is given below:**

Sr. No.	Nature of Complaints	Opening	Received	Resolved	Pending
1.	Non-receipt of Dividend, and Misc.	0	11	11	0
2.	Non-receipt of Annual Reports/ Notices	0	0	0	0
3.	Others	0	4	4	0
Total		NIL	15	15	NIL

No shareholders grievances are pending as on the end of financial year.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility [CSR] Committee of Directors is constituted in accordance with the provisions of Section 135 of the Act and the Rules framed thereunder. The Committee's responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the Corporate Social Responsibility Policy.

• **Description of terms of reference:**

The terms of reference of the CSR Committee are as under:

- Formulate and recommend to the Board, a CSR Policy indicating activities to be undertaken by the Company in compliance with provisions of the Act and rules made thereunder;

- Recommend the amount of expenditure to be incurred on the CSR activities;
- Monitor the implementation of the CSR Policy of the Company from time to time;
- Prepare a transparent monitoring mechanism for ensuring implementation of the projects/programmes/activities proposed to be undertaken by the Company.

▪ **Composition, Name of Members and Chairman:**

The CSR Committee of the Board of Directors comprises of 3 (three) members i.e. 1 (one) Executive Director viz. Mr. Rahul L. Kanodia (Chairman) and 2 (two) Non-Executive Directors viz. Mr. R. K. Saraswat and Mr. Sameer L. Kanodia. The Company Secretary of the Company acts as the Secretary of the Committee.

▪ **Meetings and Attendance during the year:**

During the year under review, 1 (One) meeting was held on **May 14, 2020**. The Chairman of the CSR Committee attended the last AGM held on December 26, 2020.

The details of Committee meetings held and attended by its members are given below:

Name	Category	Designation	No. of Meetings	
			Held	Attended
Mr. Rahul L. Kanodia	Non – Independent	Chairman	1	1
Mr. R. K. Saraswat	Independent	Member	1	1
Mr. Sameer L. Kanodia	Non – Independent	Member	1	1

RISK MANAGEMENT COMMITTEE:

Pursuant to SEBI (Listing Obligation and Disclosure Requirements) (Second Amendment) Regulations, 2021, top 1000 listed entities based on market capitalization as at the end of the immediate previous financial year are required to constitute a Risk Management Committee ('RMC').

The Board of your Company has constituted the Risk Management Committee of the Board effective May 26, 2021 in accordance with the Listing Regulations. The primary role of the RMC is that of assisting the Board in overseeing the Company's risk management processes and controls. RMC, through the Risk Management Policy, seeks to minimize adverse impact on the business objectives and enhance stakeholder value.

• **Description of terms of reference:**

The terms of reference of the RMC Committee are as under:

- To formulate a detailed risk management policy which shall include:
 - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;
 - Measures for risk mitigation including systems and processes for internal control of identified risks;
 - Business continuity plan.

- ii. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- iii. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- iv. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- v. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- vi. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

- **Composition, Name of Members and Chairman:**

The RMC Committee of the Board of Directors comprises of 3 (three) members viz. Mr. Vinay Aggarwal, Non-Executive Independent Director (Chairman), Mr. Rahul L. Kanodia, Executive Director and Mr. Sandeep Mantri, Chief Financial Officer as members. The Company Secretary of the Company acts as the Secretary of the Committee.

- **Meetings and Attendance during the year:**

The Risk Management Committee was constituted on May 26, 2021. Thus no meetings were held during the FY 2020-21.

IV. Remuneration of Directors:

A. Remuneration Policy:

In terms of Section 178 of the Act, the Remuneration Policy has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors. The Policy ensures that:

- i. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- ii. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- iii. Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

B. Pecuniary relationship or transactions of the Non-Executive Directors vis-a-vis the listed entity:

The Company did not have any material pecuniary relationship or transactions with the Non-Executive Directors.

C. Criteria for making payment to Non-Executive Directors:

Criteria for making payment to Non-Executive Directors is disclosed on the website of the Company at <http://www.datamatics.com/about-us/investor-relations/corporate-governance/Criteria for Payment to Non-Executive Directors.pdf>.

D. Disclosure with reference to Remuneration to Whole-time Directors, other Executive Directors and Non-Executive Directors:

The Whole-time Directors are paid remuneration by way of salary, commission, perquisites, incentives and allowances, as recommended by NRC and approved by the Board of Directors and the members of the Company from time to time. Non-Executive Independent Directors are entitled for sitting fees for attending meetings of the Board of Directors and Audit Committee. Non-Executive Directors are also paid remuneration by way of commission up to a maximum limit of 0.25% of net profits of the Company for the financial year, as approved by the Members of the Company. The sitting fees being paid is within the limit prescribed under the Act.

The details of remuneration paid to the Directors during the financial year 2020-21 is given in Form MGT-9 which is annexed to the Board's report:

1. Details of fixed component and performance linked incentives along with performance criteria:
 - a. The remuneration to the Executive Directors is determined by NRC and the same is recommended to the Board for their approval. The said remuneration is subject to approval of the shareholders and Central Government, if required. The details of the said remuneration is given in Form MGT-9 which is annexed to the Board's Report;
 - b. Annual increment of the Executive Directors is determined on the basis of the recommendations of NRC which is within the overall limit for remuneration as approved by the shareholders.
2. Terms of Appointment of Executive Directors:
 - a. Appointment of the Executive Directors is done for a maximum period of 5 (five) years as per provisions of the Act;
 - b. Resignation from the position of Executive Directorship is addressed to the Board of Directors;
 - c. All element of remuneration package summarized under major groups such as salary, benefits, bonuses, stock options, pensions etc. are given in Form MGT-9 which is annexed to the Board's Report.

V. INDEPENDENT DIRECTORS MEETING:

Pursuant to the provisions of Schedule IV to the Act and Regulation 25 of SEBI Listing Regulations, a separate meeting of the Independent Directors of the Company was convened on January 28, 2021, without the presence of Non-Independent Directors and Members of Management, to consider, inter alia, the following: (a) review the performance of Non-Independent Directors and the Board as a whole; (b) review the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors; (c) assess the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All Independent Directors were present in the Meeting and the Meeting was chaired by Mr. R. K. Saraswat.



VI. GENERAL BODY MEETINGS:

A. Details of Annual General Meetings held during last 3 (three) years, and the special resolution(s) passed thereat, are as follows:

Year	Date of Meeting	Time	Place of Meeting	Details of Special Resolution(s) passed
2017-18	August 14, 2018	4.00 p.m.	Indian Merchants' Chamber Hall, IMC Building, IMC Marg, Churchgate, Mumbai - 400 020.	No Special Resolution passed.
2018-19	August 13, 2019	2.00 p.m.	Indian Merchants' Chamber Hall, IMC Building, IMC Marg, Churchgate, Mumbai - 400 020.	<ol style="list-style-type: none"> 1. Re-appointment of Mr. R. K. Saraswat as an Independent Director. 2. Re-appointment of Mr. Dilip D. Dandekar as an Independent Director 3. Approval for payment of commission to Non Executive directors of the Company. 4. Payment of remuneration to Dr. Lalit S. Kanodia exceeding limits as per Regulation 17 (6)(e) of SEBI (LODR) Regulations, 2015. 5. Payment of remuneration to Mr. Rahul L. Kanodia exceeding limits as per Regulation 17 (6)(e) of SEBI (LODR) Regulations, 2015.
2019-20	December 26, 2020	11.30 a.m.	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM").	<ol style="list-style-type: none"> 1. Appointment of Mrs. Asha L. Kanodia as Non-Executive Non-Independent Director of the Company. 2. Re-appointment of Dr. Lalit S. Kanodia as Chairman & Whole Time Director of the Company. 3. Re-appointment of Mr. Vinay Aggarwal as Independent Director of the Company. 4. Divestment of entire 62.51% shares in CIGNEX Datamatics Inc. (a corporation headquartered in the USA), indirectly held by the Company through Datamatics Global Technologies Limited (Mauritius).

B. Extraordinary General Meeting:

No Extraordinary General Meeting of the members was held during the year.

C. Postal Ballot:

- During the year under review, no resolution was passed through the postal ballot.
- None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

VII. MEANS OF COMMUNICATION:

- **Quarterly Results:** The quarterly/half yearly/annual financial results are published in the English daily 'Financial Express' and in a vernacular language newspaper 'Mumbai Lakshadweep'. The financial results and the official news releases are also displayed on the Company's website: www.datamatics.com.
- **Website:** The Company's website: www.datamatics.com contains a separate section 'Investor' where shareholders' information is available. The Company's financial results and Annual Reports are also available on the Company's website in the downloadable form.
- **BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):** BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, Press Releases and others are also filed electronically on the Listing Centre. The Company is regular in posting its Shareholding Pattern, Corporate

Governance Report and Corporate Announcements electronically at <https://listing.bseindia.com>.

- **NSE Electronic Application Processing System (NEAPS):** The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, Press Releases and others are filed electronically on NEAPS. The Company is regular in posting its Shareholding Pattern, Corporate Governance Report and Corporate Announcements electronically at <https://www.neaps.nseindia.com>.
- **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.
- **Exclusive email-id:** The Company has an exclusive email id - investors@datamatics.com dedicated for prompt redressal of shareholders' queries, grievances etc.
- **Voluntary e-mail:** The Company voluntarily sends corporate announcements, official news releases and other communications to those shareholders who's Email IDs have been registered with the Company and depositories.

VIII. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report for the financial year 2020-21 as per the requirement of the SEBI Listing

Regulations, is given in a separate section forming part of the Annual Report.

IX. WEBSITE:

The Company maintains a functional website containing basic information about the Company. The website address is www.datamatics.com. The Company is disseminating following information on its website:

- a. Details of business;
- b. Terms and conditions of appointment of Independent Directors;
- c. Corporate Announcement;
- d. Composition of various committees of Board of Directors;
- e. Code of conduct of Board of Directors and Senior Management Personnel;
- f. Details of establishment of Vigil Mechanism/Whistle Blower policy;
- g. Criteria of making payments to Non-Executive Directors, if the same has not been disclosed in annual report;
- h. Policy on dealing with Related Party transactions;
- i. Policy for determining 'Material' subsidiaries;
- j. Details of familiarization programmes imparted to Independent Directors;
- k. Contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances;
- l. Financial information;
- m. Shareholding pattern;
- n. Other information as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

X. GENERAL SHAREHOLDER INFORMATION

a) 33rd Annual General Meeting:

Day : Thursday

Date : September 30, 2021

Time : 11.30 a.m.

Venue : The Company is conducting meeting through VC/OAVM pursuant to the MCA Circular dated January 13, 2021 read with circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 and as such there is no requirement to have a venue for the AGM. For details, please refer to the Notice of this AGM.

b) Financial Year:

The financial year of the Company starts from April 1 of every year to March 31 of the next year.

c) Date of Book Closure:

As mentioned in the Notice of this AGM.

d) Listing on Stock Exchange:

The equity shares of the Company are listed at:

- BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001;
- National Stock Exchange of India Limited, Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051.

e) Annual Listing Fees and Custodial Fees:

The listing fees and custodial fees for the financial year 2020-21 have been paid by your Company within the stipulated time.

f) Stock Code and Other related Information:

BSE LIMITED	National Stock Exchange of India Limited	ISIN	CIN
532528; DATAMATICS	DATAMATICS	INE365B01017	L72200MH1987PLC045205

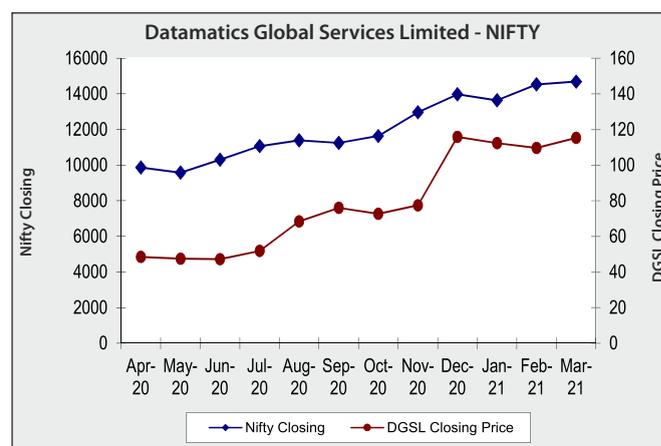
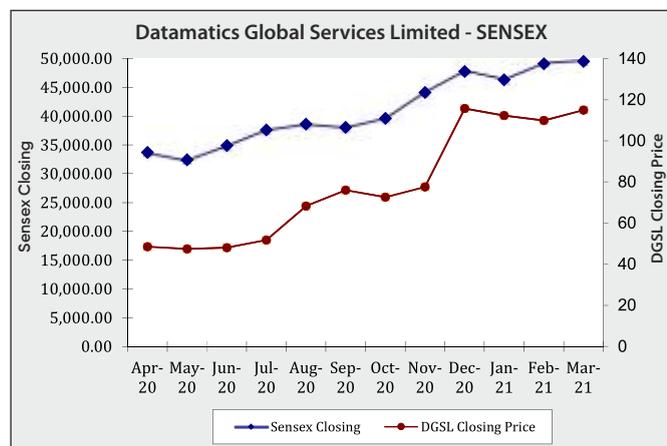
g) Market Price Data:

Details of high and low price during each month in the last financial year on BSE Limited and National Stock Exchange of India Limited, are as under:

Month	BSE Limited		National Stock Exchange of India Limited	
	High	Low	High	Low
April – 2020	54.50	38.25	56.70	38.10
May – 2020	49.50	40.85	49.45	40.50
June – 2020	56.70	45.00	56.90	44.25
July – 2020	58.35	44.45	58.25	44.55
August – 2020	80.80	51.95	80.85	51.50
September – 2020	89.75	64.50	90.00	63.25
October – 2020	83.90	66.00	82.75	69.00
November – 2020	80.95	66.15	81.00	66.25
December – 2020	122.00	75.15	121.00	75.00
January – 2021	131.05	102.15	131.20	93.00
February – 2021	122.80	108.00	122.50	106.30
March – 2021	135.40	108.80	135.50	109.50



h) Performance in comparison to broad based indices of BSE Sensex and NSE Nifty :



i) Registrar and Transfer Agent:

Datamatics Business Solutions Limited (Formerly known as Datamatics Financial Services Limited)

Plot No. B-5, MIDC,

Part B, Cross Lane, Andheri (East),

Mumbai – 400 093.

Tel: 91-22-6671 2151; Fax: 91-22-6671 2250

E-mail: shares@datamaticsbpm.com

j) Share Transfer System:

The Company's Equity Shares which are in compulsory dematerialized (demat) form are transferable through the depository system. Equity Shares in physical form are processed by the Registrar and Share Transfer Agents, Datamatics Business Solutions Limited and approved by the Stakeholders Relationship Committee of the Board of the Company. The share transfers are normally processed within 15 (fifteen) days from the date of receipt of the documents, if they are complete in all respects.

k) Shareholding as on March 31, 2021:

Distribution of equity shareholding as on March 31, 2021:

Sr. No.	Shares Range		Shares	% To Capital	No. Of Holders	% To No. Of Holders
	From	To				
1	1	1000	4019563	6.82	25988	94.66
2	1001	2000	1106401	1.88	712	2.59
3	2001	4000	985118	1.67	339	1.24
4	4001	6000	833902	1.42	167	0.61
5	6001	8000	385861	0.66	55	0.20
6	8001	10000	482671	0.82	52	0.19
7	10001	20000	1065127	1.81	73	0.27
8	20001	9999999999	50070694	84.94	68	0.25
	TOTAL		58949337	100.00	27454	100.00

Categories of equity shareholders as on March 31, 2021:

Category	No. of shares*	% of Shareholding*
Promoters & Promoter Group	4,37,93,701	74.29
Foreign Portfolio Investor	65,700	0.11
Banks and Financial Institution	103	0.00
Individuals	1,33,29,380	22.61
NRI	4,00,360	0.68
Trust	65	0.00
Bodies Corporate	11,43,603	1.94
Clearing Member	1,17,490	0.20
Foreign Nationals	35,990	0.06
IEPF	62,945	0.11
Total	58,949,337	100.00

* The shareholding disclosed above is as per the BENPOS data received from the company's RTA M/s. Datamatics Business Solutions Limited as on March 31, 2021.

l) Unpaid/Unclaimed Dividend:

Pursuant to the provisions of Section 124(5) of the Act, 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 the Company to

Investor Education and Protection Fund (IEPF), established by the Central Government under the provisions of Section 125 of the Act.

Shareholders of the Company who have not received or encashed their dividend warrants for the financial years, as mentioned below, are requested to claim the unpaid/unclaimed dividend from the Company before its transfer to the above mentioned Fund:

Year of Declaration	Date of Declaration	Interim/Final	Rate of Dividend (In ₹)	Date of Transfer to IEPF
2013-14	September 23, 2014	Final	1.25 per share	October 22, 2021
2014-15	September 23, 2014	Interim	0.35 per share	October 22, 2021
2014-15	August 28, 2015	Final	0.65 per share	September 27, 2022
2015-16	March 21, 2016	Interim	0.50 per share	April 20, 2023
2015-16	September 15, 2016	Final	0.25 per share	October 14, 2023
2016-17	September 14, 2017	Final	0.75 per share	October 13, 2024
2017-18	March 21, 2018	Interim	0.50 per share	April 20, 2025
2017-18	August 14, 2018	Final	0.25 per share	September 13, 2025
2018-19	August 13, 2019	Final	1.00 per share	September 12, 2026

Note : An amount of Rs. 2,28,221/- lying in the Unpaid Dividend Account for the Financial Year 2012-13, has been transferred to IEPF account on November 21, 2020, the details of which is available on the website of the Company.



m) Transfer of shares to Investor Education & Protection Fund (IEPF):

In accordance with Section 124(6) of the Act, read with the IEPF Rules, all the shares in respect of which dividend has remained unclaimed or unpaid for seven consecutive years or more from the date of transfer to the unpaid dividend account are required to be transferred to the demat Account of the IEPF Authority. Accordingly, all the shares in respect of which dividends were declared upto the financial years ended March 31, 2013 and remained unclaimed, have been transferred to the IEPF. The Company had sent notices to all such Members in this regard and published a newspaper advertisement and thereafter, transferred the shares to the IEPF during FY 2020-21.

During the financial year 2020-21, the Company had transferred a total of 3,420 equity shares to the demat account of IEPF Authority. Details of these shares are available on the Company's website www.datamatics.com.

The shares and unclaimed dividend transferred to the IEPF can, however, be claimed back by the concerned Members from IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The Member is required to make an online application to the IEPF Authority in Form No. IEPF -5 (available on www.iepf.gov.in). No claims shall lie against the Company in respect of the dividend/shares so transferred. The Member can file only one consolidated claim in a financial year as per the IEPF Rules.

n) Updation of KYC details:

As per SEBI norms, efforts are underway to update Permanent Account Number (PAN) and bank account details of shareholder(s) in the members' register and communications have been sent by the Company to eligible shareholders in this regard. Shareholders are requested to update these details at the earliest.

o) Dematerialization of shares and liquidity:

The shares of the Company are in compulsory demat segment and are available for trading in the depository

systems of both the Central Depository Services (India) Limited [CDSL] and National Securities Depository Limited [NSDL]. The International Security Identification Number [ISIN] is an identification number of traded shares. This number is to be quoted in each transaction relating to the dematerialized shares of the Company. The ISIN allotted to the Company is INE365B01017. As on March 31, 2021, 5,88,72,530 Equity Shares out of 5,89,49,337 Equity Shares of the Company, constituting 99.87% of the Company's paid-up capital are held in the dematerialized form. Share dematerialized upto March 31, 2021 are as under.

Particulars	As on March 31, 2020	
	No. of Shares	%
Shares in Demat form	5,88,72,530	99.87
- NSDL	1,89,85,846	32.21
- CDSL	3,98,86,684	67.66
Shares in Physical Form	76,807	0.13
Total	58,949,337	100

p) ADRs/GDRs/Warrants:

The Company has not issued any ADRs/ GDRs /Warrants or any other convertible instruments.

q) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

The Company is exposed to foreign currency fluctuation risk due to the constant variation of the Indian Rupee. The Board of Directors have approved Forex Risk Management Policy to keep the Company hedged against the risk of forex fluctuations. Any risk arising from exposure to foreign currency for exports and is being hedged according to policy approved.

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

r) Office Locations:

INDIA	
Registered Office: Knowledge Centre, Plot 58, Street No.17, MIDC, Andheri (E), Mumbai 400 093.	
Unit No. 110, SDF IV, SEEPZ-SEZ, Andheri (E), Mumbai 400 096.	Unit No. 155, SDF V, SEEPZ-SEZ, Andheri (E), Mumbai 400 096.
Unit No. 117-120, SDF IV, SEEPZ-SEZ, Andheri (E), Mumbai 400 096.	Unit No. 189-190, SDF VI, SEEPZ-SEZ, Andheri (E), Mumbai 400 096.
Unit No. 105, Multistoried Building, 1st Floor, SEEPZ – SEZ, Andheri (E), Mumbai 400 096.	701 & 702, Tower II, SEEPZ ++, SEEPZ-SEZ, Andheri (East), Mumbai – 400 096.
6th floor, Eucharistic Congress Building No. III, C.S. No. 445, Ward A 885 (1A-1B) 5 Convent Street, Colaba, Mumbai 400001.	Unit No. 172, SDF VI, SEEPZ-SEZ, Andheri (E), Mumbai 400 096.
Suyojit Datamatics Knowledge Center, Suyojit I.T. Park, Survey No. 804, Unit No. S1-S3, Mumbai Agra Road, Nashik – 422 002.	No. 334, 4th Floor, 27th Main Road, 2nd Sector, HSR Layout, Bangalore – 560 102.
Unit No. A-4 and A-3, 2nd Floor, Tower C, Centrum Plaza, Golf Course Road, Sector – 53, Gurgaon.	Office No. 5, 2nd Floor, Tower 1, C-25, Sector 62, Stellar IT Park, Noida – 201 301.
Office No. 607, A-40, Sector 62, Noida, Uttar Pradesh, 201309, India.	Ground Floor President Plaza, Opp. Muktidham Derasar, Thaltej Cross Road, S.G Highway, Ahmedabad – 380 054, Gujarat.
“RJ Grand” R.S. No. 181/5, ECR Road Saram Revenue Village, Lawspet, Puducherry – 605008.	9th Floor, CITIUS A Block, Phase 1, Olympia Tech Park, Plot No. 1, SIDCO Industrial Estate, Guindy, Chennai – 600032.
12th Floor, Phase II, Ascendas IT Park, CSIR Road, Taramani, Chennai – 600 113, Tamil Nadu.	Madhapur LVS Arcade 71, Jubilee Enclave, HITEC City, Hyderabad. Telangana 500081.
No.10, Vazhudavoor Road, Pettaiyanchathiram, Thattanchavadi, Puducherry – 605 009.	91 Spring Board, Madhapur, Hitec City (Virtual Office), Hyderabad.
Cessna Business Park, Embassy Signet Building, 4th Floor, Sy No.13/1, Kadubeesanahalli, Varthur Hobli, Outer Ring Road, Bangalore – 560103.	Plot No 29-34, East Coast Road (100 Feet Road), Saram Revenue Village, Oulgaret Municipality, Lawspet Post, Puducherry – 605008.
Kalyani Neptune Sy No.152/9 & 10, Doraisanipalya Village, Bilekahalli Dhakle, Begur Hobli, Bannerghatta Road, Bangalore 560 076.	

OVERSEAS

Suite #100 & # 400, 31572 Industrial Road, Livonia, MI – 48150.	Suite 302, 52 Atchison St, Leonards, NSW 2065.
Suite # 240, 56 Middlesex Turnpike, Burlington, MA – 01803.	KEIZERSGRACHT 391 A, 1016 EJ, Amsterdam The Netherlands.
Suite #315, 510 Thornall Street, Edison, NJ – 08837.	4633 Old Ironsides, Dr. Ste 109, Santa Clara, CA 95054, USA.
Unit No. 115, First Floor, Publishing Pavilion, Dubai, UAE.	600 Cordwainer Drive, Unit 103. Norwell MA 02061.
268 Bath Road, Slough, Berkshire, SL1 4DX, United Kingdom.	1, Doughty Street, London, WC1N2PH.
4 Shenton Way, #08-03 SGX Centre II, Singapore 068807.	MSG Rechtsanwalte & Notare, Vortstadt 32, 6304, Zug, Switzerland.
107 Atlanta Tech Park, Suite 510, Peachtree Corners, Atlanta, GA 30092.	1807, Cityland 10, Tower 1, HV Dela Costa St, Ayala Avenue, Makati City, Metro Manila.
3rd Floor, Harbour Front Building, President John Kennedy, Street, Port Louis, Republic of Mauritius.	3rd Floor, Tower 1, Rockwell Business Center Ortigas Ave, Pasig City, 1600 Metro Manila, Philippines.
Monash Building Centre Pty Ltd, 468 Blackburn Road, Glen Waverly, Victoria 3150, Australia.	Portcullis TrustNet Chambers, P.O. Box 3444, Road Town, Tortola, British Virgin Islands.
Office 3201, 32nd Floor, Al Shatha Tower Dubai Media City, Dubai UAE PO Box: 501755.	RJ Globus, 901-909, 8th & 9th Floor, Hanston Building, Pasig City, Phillipines.
153 Milton Keynes Business Centre, Foxhunter Drive, Linford Wood, Milton Keynes, Buckinghamshire, United Kingdom, MK14 6GD.	C/O ARNECKE SIBETH LABELSTEIN, Rechtsanwälte Steuerberater, Partnerschaftsgesellschaft mbB, Oberanger 34-36, 8 0331 Munich.

s) Address for Correspondence

Investors Correspondence/Compliance Officer	Registrar and Transfer Agent
Ms. Divya Kumat, Executive Vice President, Chief Legal Officer & Company Secretary Datamatics Global Services Limited Knowledge Centre, Plot No. 58, Street No. 17, MIDC, Andheri (East), Mumbai – 400 093. Tel: 91-22-6102 0000/1/2 Fax: 91-22-2834 3669 E-mail: investors@datamatics.com	Datamatics Business Solutions Limited (formerly known as Datamatics Financial Services Limited) Plot No. B-5, MIDC, Part B, Cross Lane, Andheri (East), Mumbai – 400 093. Tel: 91-22-6671 2151 Fax: 91-22-6671 2250 E-mail: depository@datamaticsbpm.com



XI. DISCLOSURES

a) Materially significant related party transactions:

During the financial year 2020-2021, the Company has not entered into any material transactions with any of its related parties that may have potential conflict with the interests of the Company at large. The related party transactions entered into with the related parties as defined under the Act and with the SEBI Listing Regulations, during the financial year were in the ordinary course of business and at an arm's length basis and the same has been approved by the Audit Committee. The details of transactions with related parties are disclosed in the Notes to accounts of the Standalone Financial Statements. The Board of Directors have approved a policy for related party transactions which has been uploaded on the Company's website: <http://www.datamatics.com/investors/corporate-governance/RelatedPartyTransactionsPolicy.pdf>.

b) Details of non-compliance/penalties/strictures imposed on the Company by the Statutory Authorities:

There were no instances of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter relating to the capital market during the financial year 2020-21.

During the year 2019-20, Company received notices from Bombay Stock Exchange Limited and National Stock Exchange of India Ltd. respectively through letter dated August 7, 2019, for non-compliance of Listing Regulation 13 (3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, pertaining to submission of statement of shareholders complaints within 21 days from end of each quarter. The Company has always been meticulous in complying with the SEBI regulations and other applicable laws but the submission of Investor Complaints for quarter ended June 30, 2019 was inadvertently delayed. The fine of Rs. 2360/- each was paid to Bombay Stock Exchange Limited and National Stock Exchange of India Ltd. respectively and the said information was placed before the Board of Directors at its meeting held on August 13, 2019.

Except as mentioned above, there were no other instances of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter relating to the capital market during the last three years.

c) Whistleblower/Vigil Mechanism:

As per the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of the SEBI Listing Regulations, the Company is required to establish an effective Vigil Mechanism for directors and employees to report genuine concerns. The Company has a Whistle-blower Policy to encourage and facilitate employees to report concerns about unethical behaviour, actual/suspected frauds and violation of Company's Code of Conduct. The policy also provides for adequate safeguards against victimisation of persons who avail the same and provides for direct access to the Chairperson of the Audit Committee

The Whistle Blower Policy also enables the employees to report concerns relating to leak or suspected leak of Unpublished Price Sensitive Information. The Audit Committee of the Company oversees the implementation of the Whistle-Blower Policy. The Whistle Blower Policy can be accessed at the Company's website at

<https://www.datamatics.com/investors/corporate-governance/WhistleblowerPolicy.pdf>.

d) Details of compliance with mandatory requirements and adoption of non-mandatory requirements of the Listing Regulations:

The Company has fully complied with the mandatory requirements of the Listing Regulations. The Company has also adopted the following non-mandatory requirements of SEBI Listing Regulation:

- The Company's financial statements have unmodified audit opinions.
- The Company has appointed separate persons to the post of Chairman and CEO.
- The internal auditors of the Company, M/s. SKPAG & Co., Chartered Accountants, reports directly to the audit committee.

e) Policy for determining material subsidiaries:

The Board of Directors has formulated a Policy for determining Material Subsidiaries pursuant to the provisions of the SEBI Listing Regulation. The same is displayed on the website of the Company at <http://www.datamatics.com/investors/corporate-governance/PolicyonMaterialSubsidiaries.pdf>.

f) Appointment of Independent Director on the Board of material Unlisted Subsidiary Company:

The Company has appointed the Independent Director on the Board of material unlisted subsidiary Companies viz. Lumina Datamatics Limited and Lumina Datamatics Inc.

g) Policy on dealing with related party transactions:

The Board of Directors has adopted a Policy for dealing with related party transaction pursuant to the provisions of the SEBI Listing Regulations. The same is displayed on the website of the Company at <http://www.datamatics.com/investors/corporate-governance>.

h) CEO & CFO Certification:

As required under Clause 33 of the SEBI Listing Regulations, the CEO and CFO certification on the Financial Statements and other matters have been obtained from Mr. Rahul L. Kanodia, Vice Chairman & CEO and Mr. Sandeep Mantri, Chief Financial Officer of the Company.

i) 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 the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part are as follows:

Type of Service	₹ in millions	
	FY 2020-21	FY 2019-20
Audit Fees*	9.55	10.50
Tax Fees	0.36	0.40
Others	1.19	0.60
Total	11.10	11.50

*Includes audit and audit related services

j) Complaints pertaining to sexual harassment:

No complaints pertaining to sexual harassment were received during the financial year under review.

k) Non – Debarment or Non-disqualification of Directors:

A certificate from Mr. Tushar Shridharani, Practicing Company Secretary, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority is enclosed herewith.

XII. Disclosures of the compliance of Corporate Governance Requirement:

The Company has made disclosures of the compliance of Corporate Governance Requirements as specified in regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 of the SEBI Listing Regulations.

XIII. Declaration by CEO:

Declaration signed by Chief Executive Officer stating that the

members of Board of Directors and Senior Management personnel have affirmed compliance with the code of conduct of Board of Directors and Senior Management is appended herewith.

XIV. Compliance certificate signed by Auditors regarding compliance of conditions of corporate governance is appended herewith.

XV. Disclosure with respect to shares transferred to IEPF:

In terms of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, all shares in respect of which dividend has not been claimed by shareholders for seven consecutive years were transferred to the Investor Education & Protection Fund Authority in accordance with the procedure prescribed under the said rules. At the end of the year, i.e., as at March 31, 2021, 62,945 equity shares were lying in the IEPF.

Declaration by the CEO

I hereby declare that all the Directors and Senior Management personnel of the Company have affirmed compliance with the Datamatics – Code of Conduct and Ethics for the financial year ended March 31, 2021.

Date: May 26, 2021
Place: Mumbai

Rahul L. Kanodia
Vice-Chairman & CEO



AUDITORS' CERTIFICATE

To,

The Members of
Datamatics Global Services Limited

We have examined the compliance of conditions of Corporate Governance by Datamatics Global Services Limited ('the Company') for the year ended March 31, 2021, as stipulated under regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations for the year ended on March 31, 2021.

We further 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.

For M L BHUWANIA AND CO LLP

Chartered Accountants
FRN: 101484W/W100197

Ashishkumar Bairagra

Partner
Membership No.: 109931
UDIN: 21109931AAAAABW7931

Place: Mumbai
Date: May 26, 2021

TUSHAR SHRIDHARANI
B. Com., LL.B., F.C.S.

Tel. : (022) 2208 5764 / 2208 5765
Email : tushar@tusharshri.com
Web. : www.tusharshri.com

10, New Marine Lines
417, Jolly Bhavan No. 1
Mumbai – 400 020

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
Datamatics Global Services Limited
Knowledge Centre, Plot No. 58
Street No. 17, MIDC, Andheri (East)
Mumbai – 400 093

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Datamatics Global Services Limited having CIN – L72200MH1987PLC045205 and having Registered Office situated at Knowledge Centre, Plot No. 58, Street No. 17, MIDC, Andheri (East), Mumbai – 400 093 (hereinafter referred to as 'the Company'), produced before me 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 my opinion and to the best of my 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 me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the 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.	Dr. Lalit S. Kanodia	00008050	03-11-1987
2.	Mr. Rahul L. Kanodia	00075801	28-09-2007
3.	Mr. Sameer L. Kanodia	00008232	30-01-2008
4.	Mrs. Asha L. Kanodia	00008061	10-09-2020
5.	Mr. R. K. Saraswat	00015095	26-11-1998
6.	Mr. Vinay M. Aggarwal	00030483	27-05-2015
7.	Mr. Dilip D. Dandekar	00846901	12-08-2014
8.	Mrs. Mona M. Bhide	05203026	20-12-2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my 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.

Place: Mumbai
Date: May 14, 2021

Tushar Shridharani
FCS 2690 / COP 2190
UDIN -F002690B000301527



Independent Auditor's Report on the Audit of the Consolidated Financial Statements

To

The Members of **DATAMATICS GLOBAL SERVICES LIMITED**
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of DATAMATICS GLOBAL SERVICES LIMITED ("Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its joint venture listed in Annexure A, which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information ("the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Company as at March 31, 2021, their consolidated profit, the consolidated other comprehensive

income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

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 Responsibility for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group and its joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI), and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

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 as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter

A. Revenue recognition in respect of fixed price contract

The Company inter alia engages in fixed price contracts, wherein revenue is recognized using the percentage of completion method based on the company's estimate of contract cost. We identified revenue recognition of fixed price contract as a Key Audit Matter since:

- accuracy and existence of revenues and onerous obligations, in respect of fixed price contracts, involves critical estimates.
- these estimates have high inherent uncertainty as it requires determination of the progress of the contract, costs incurred till date and future costs required to complete the remaining contract and performance obligations.
- estimate of costs is a critical estimate to determine the revenues and liability for a contract and these contracts may involve onerous obligations which require critical assessment of future costs.
- at the year-end significant amount of unbilled revenue is recognized on the balance sheet date.

Auditor's Response

Our audit procedures included discussion with the management to obtain an understanding of the systems, processes and controls implemented by the Company for recording and computing the costs, revenue and other estimates associated with such contracts. Our audit approach was a combination of test of internal controls and substantive procedures which included the following:

- we evaluated the design of internal controls relating to recording of costs incurred and estimate of costs required to complete the performance obligations.
- we tested the access and application controls pertaining to time recording, allocation and budgeting systems which prevents unauthorised changes to recording of costs incurred.
- we selected a sample of contracts and tested the operating effectiveness of the internal controls relating to costs incurred and estimate of costs, through the inspection of performance of these controls.
- we selected a sample of contracts and performed a retrospective review of costs incurred with estimate of costs to identify significant variations and verify whether those variations have been considered in estimating the future costs required to complete the contract.
- we reviewed a sample of contracts with unbilled revenue to identify possible delays in achieving milestones, which

Key Audit Matter	Auditor's Response
<p>B. Carrying Value of Goodwill</p> <p>The Group has goodwill of Rs. 724.50 million in respect of some of its Cash Generating Units. The Group is required to annually test the amount of goodwill for impairment. This annual impairment testing was significant to our audit because the balance of Rs. 724.50 million as of March 31, 2021 is material to the financial statements. The determination of recoverable amount requires judgment on the part of the management with respect to future revenue, estimated profit, discount rate and hence the assessment process is highly subjective and is based on assumptions.</p>	<p>require change in estimated costs to complete the remaining performance obligations.</p> <ul style="list-style-type: none"> we performed analytical procedures and test of details for reasonableness of incurred and estimated costs. <p>We evaluated the appropriateness of management identification of Cash Generating Units and the continued satisfactory operation of the Holding Company's internal controls over the whole process. Our procedures included discussion with the management of the Holding Company on the suitability of the impairment model and reasonableness of the assumptions. Our review included the below:</p> <ul style="list-style-type: none"> Benchmarking the Holding Company's key assumptions with industry comparables, the assumptions made in the prior years and also comparing the margin and revenue trend with the actual results relating to previous forecasts. We reviewed the Holding Company's management's impairment assessment and reviewed the calculation methodology and sources for key assumptions. We reviewed the key assumptions, being the cash flows, growth assumptions and discount rates. We performed sensitivity analysis over significant assumptions used in the models to ascertain the point at which impairment would be triggered and considered the likelihood of such a change. We reviewed the disclosure in the consolidated financial statements in respect of the Holding Company's management's impairment testing to confirm that these are consistent with the conclusions of our audit work and meet the disclosure requirements of the relevant accounting standards.

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the consolidated financial statements and our Auditors' Report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do 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, compare with the financial statements if the subsidiaries and joint venture audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries and joint venture is traced from their financial statements audited by the other auditors. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility 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 Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group and its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under section 133 of the Act. The respective company's management and Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each entity and of its joint venture 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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



management and Board of 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 and its joint venture are responsible for assessing the ability of the Group and its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective management and Board of Directors of the companies included in the Group and its joint venture are responsible for overseeing the financial reporting process of the Group and its joint venture.

Auditor's Responsibility 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:

- 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.
- Obtain an understanding of internal financial 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 ability of the Group and its joint venture 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 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 and its joint venture to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group and its joint venture 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 business activities 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.

We communicate with those charged with governance of the Holding Company and such other entities included in the 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.

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

- (a) We did not audit the financial statements / financial information of nine subsidiaries (including four step down subsidiaries), and one joint venture, whose financial statements / financial information reflect unconsolidated total assets of Rs. 6,869.85 million as at March 31, 2021, unconsolidated total revenues of Rs. 8,024.18 million, unconsolidated net profit after tax of Rs. 466.07 million, unconsolidated total comprehensive income of Rs. 422.94 million and unconsolidated net cash outflows amounting to Rs. 145.57 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements, in respect of a joint venture include the Group's share of net profit of Rs. 4.29 million and total comprehensive income of Rs. 4.36 million, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose

reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries are based solely on the reports of the other auditors.

- (b) We did not audit the financial statements / financial information of thirteen subsidiaries (including twelve step down subsidiaries), whose financial statements / financial information reflect unconsolidated total assets of Rs. 71.28 million as at March 31, 2021, unconsolidated total revenues of Rs. 1,640.66 million, unconsolidated net profit after tax of Rs. 109.45 million, unconsolidated total comprehensive income of Rs. 116.09 million and unconsolidated net cash outflows amounting to Rs. 340.97 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information are unaudited and have been furnished to us by the management of the Holding Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the management of the Holding Company, these unaudited financial statements / financial information are not material to the Group.

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 and the unaudited financial statements / financial information certified by the management of the Holding Company.

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 the other auditors on separate financial statements / information of subsidiaries, unaudited financial statements / financial information referred to in the paragraph on 'Other Matters' section above, 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, returns and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows 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 Accounting Standards 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 31st March, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and its joint venture incorporated in India, none of the directors of the Group companies and its joint venture incorporated in India is disqualified as on March 31, 2021 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 and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on the financial statements / information of the subsidiaries and its joint venture, the financial statements / information certified by the Management in the case of some subsidiaries, as noted in the paragraph on 'Other Matters':
- The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint venture – Refer Note No. 48 to the consolidated financial statements;
 - The Group and its joint venture did not have any material foreseeable losses on long term contracts including derivatives contracts.
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, and its joint venture incorporated in India.
- h) With respect to the matter to be included in the Auditor's Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Holding Company, subsidiary companies and its joint venture incorporated in India, wherever applicable, to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director by the Holding Company, subsidiary companies and its joint venture incorporated in India is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

For M L BHUWANIA AND CO LLP

Chartered Accountants
FRN: 101484W/W100197

Ashishkumar Bairagra
Partner
Membership No. 109931
UDIN: 21109931AAAABV3569

Place: Mumbai
Date: May 26, 2021



Annexure A

to the Independent Auditors Report dated May 26, 2021

Sr. No.	Name	Subsidiary / Step down Subsidiary / Joint Venture
1	Datamatics Global Services Inc	Subsidiary
2	Datamatics Infotech Limited	Subsidiary
3	Datamatics Global Services Pty Limited	Subsidiary
4	Datamatics Global Technologies Limited	Subsidiary
5	Datamatics Global Technologies AG	Subsidiary
6	Datamatics Global Services FZLLC	Subsidiary
7	Datamatics Global Services BV	Step down Subsidiary
8	Datamatics Global Services Corp	Step down Subsidiary
9	Datamatics Robotics Software Inc	Step down Subsidiary
10	Datamatics Robotics Software Limited	Step down Subsidiary
11	LD Publishing and eRetail Limited#	Subsidiary
12	Datamatics Staffing Services Limited	Subsidiary
13	RJ Globus Solutions Inc	Step down Subsidiary
14	RJ Globus Inc	Step down Subsidiary
15	RJ Globus Solutions Private Limited	Step down Subsidiary
16	Cignex Datamatics Corporation\$	Step down Subsidiary
17	Cignex Datamatics, Inc*	Step down Subsidiary
18	Cignex Datamatics Technologies Limited*	Step down Subsidiary
19	Cignex Datamatics Pte Limited*	Step down Subsidiary
20	Cignex Datamatics GmbH*	Step down Subsidiary
21	Cignex Datamatics UK Ltd*	Step down Subsidiary
22	Lumina Datamatics Limited	Subsidiary
23	Lumina Datamatics Inc	Step down Subsidiary
24	Lumina Datamatics GMBH	Step down Subsidiary
25	LDR eRetail Limited	Step down Subsidiary
26	Lumina Datamatics Assessment & Analytics, LLC	Step down Subsidiary
27	Cybercom Datamatics Information Solutions Limited	Joint Venture

strike off w.e.f. March 22, 2021

\$ Liquidated w.e.f. August 17, 2020

*ceased w.e.f. January 1, 2021

Annexure B

TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Referred to in paragraph (f) of 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report on the consolidated financial statements of the company for the year ended March 31, 2021.

Opinion

In conjunction with our audit of the consolidated financial statements of **DATAMATICS GLOBAL SERVICES LIMITED** ("the Holding Company") as of and for the year ended March 31, 2021, we have audited the internal financial control over financial reporting of the Holding Company and its subsidiary companies and its joint venture, incorporated in India, wherever applicable, as of that date.

In our opinion to the best of our knowledge and according to the opinion expressed in the report of other auditors, the Holding Company, its subsidiary companies and its joint venture incorporated in India, wherever applicable, in all material respects, have an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the criteria for internal controls over financial reporting established by the respective companies, wherever applicable, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

The respective company's management and Board of Directors of Holding Company, its subsidiary companies and its joint venture incorporated in India, wherever applicable, are responsible for establishing and maintaining internal financial controls based on the internal controls 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 issued by the Institute of Chartered Accountants of India ('ICAI'). 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 respective 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the paragraph on 'Other Matters', is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company, its subsidiary companies and its joint venture incorporated in India, wherever applicable.

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 consolidated financial statements.

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.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to 5 subsidiary companies and 1 joint venture company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India and the information provided by the Management.

For M L BHUWANIA AND CO LLP

Chartered Accountants
FRN: 101484W/W100197

Ashishkumar Bairagra

Partner
Membership No. 109931
UDIN: 21109931AAAABV3569

Place: Mumbai
Date: May 26, 2021



Consolidated Balance Sheet

as at March 31, 2021

Particulars	Note	(₹ in millions)	
		March 31, 2021	March 31, 2020
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	1,155.00	1,180.09
Capital work-in-progress	3	-	7.33
Goodwill	4	724.50	1,947.92
Other intangible assets	4	81.63	165.18
Right-to-use assets	4	173.27	172.85
Intangible assets under development	4	-	3.71
Financial assets			
i. Investments	5	106.02	108.14
ii. Loans	6	0.27	1.30
iii. Other financial assets	7	131.43	138.60
Deferred tax assets (Net)	8	153.88	50.31
Non-current tax assets (Net)	9	133.46	159.29
Other non-current assets	10	6.82	4.56
Total non-current assets		2,666.28	3,939.28
Current assets			
Financial assets			
i. Investments	11	1,459.25	254.95
ii. Trade receivables	12	1,835.01	2,724.51
iii. Cash and cash equivalents	13	990.95	1,948.17
iv. Bank balances other than (iii) above	14	134.31	39.07
v. Loans	15	4.65	10.97
vi. Other financial assets	16	1,593.86	770.13
Current tax assets (Net)	17	75.32	49.49
Other current assets	18	321.03	351.27
Total current assets		6,414.38	6,148.56
Asset held for sale		-	12.50
Total Assets		9,080.66	10,100.34
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19(a)	294.75	294.75
Other equity	19(b)	6,864.64	6,564.18
Equity attributable to owners of Datamatics Global Services Limited		7,159.39	6,858.93
Non-controlling interests		(6.94)	220.15
Total equity		7,152.45	7,079.08
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Lease Liabilities	20	105.00	109.44
ii. Other financial liabilities	21	5.74	52.25
Provisions	22	272.15	278.49
Total non-current liabilities		382.89	440.18
Current liabilities			
Financial liabilities			
i. Borrowings	23	-	964.64
ii. Trade payables	24		
Dues of Micro and small enterprises		7.88	5.63
Dues other than Micro and small enterprises		887.51	891.67
iii. Other financial liabilities	25	41.21	95.21
iv. Lease liabilities	26	95.68	109.11
Provisions	27	90.94	68.46
Current tax liabilities (Net)	28	27.59	15.22
Other current liabilities	29	394.51	431.14
Total current liabilities		1,545.32	2,581.08
Total liabilities		1,928.21	3,021.26
Total Equity and Liabilities		9,080.66	10,100.34

The accompanying notes forming an integral part of the consolidated financial statements

As per our attached report of even date
For **M L BHUWANIA AND CO LLP**
Chartered Accountants
FRN: 101484W/W100197

Ashishkumar Bairagra
Partner
Membership No. 109931

Place : Mumbai
Dated : May 26, 2021

For and on Behalf of the Board

Dr. Lalit S. Kanodia
Chairman
DIN 00008050

Rahul L. Kanodia
Vice Chairman & CEO
DIN 00075801

R. K. Saraswat
Director
DIN 00015095

Divya Kumat
EVP, Chief Legal Officer & Company Secretary

Sandeep Mantri
Chief Financial Officer

Statement of Consolidated Profit and Loss

for the year ended March 31, 2021

Particulars	Note	₹ in millions	
		March 31, 2021	March 31, 2020
Revenue from Operations	30	11,490.53	12,033.24
Other Income	31	107.53	205.10
Total income		11,598.06	12,238.34
Expenses			
Purchase of products and licenses	32	105.09	169.89
Employee Benefit Expenses	33	7,707.86	7,750.70
Finance Costs	34	32.44	46.26
Depreciation and Amortisation Expenses	35	394.81	369.97
Other Expenses	36	2,255.16	2,876.92
Total expenses		10,495.36	11,213.74
Profit before exceptional items and tax		1,102.70	1,024.60
Exceptional items	37	(13.43)	(157.72)
Profit before share of net profits of investments accounted for using the equity method and tax		1,089.27	866.88
Share of net profits of associates and joint ventures accounted for using the equity method		4.36	12.03
Profit before tax		1,093.63	878.91
Tax expense			
- Current tax	8(a)	313.10	245.79
- Deferred tax	8(a)	(59.58)	16.05
Total tax expense		253.52	261.84
Profit for the year		840.11	617.07
Share of Non controlling Interest in Profit for the year		42.65	(20.37)
Profit for the year		797.46	637.44

Statement of Consolidated other comprehensive income (OCI) for the year ended March 31, 2021

Particulars	Note	₹ in millions	
		March 31, 2021	March 31, 2020
Items that will be reclassified to profit or loss			
Cash flow Hedges		112.32	(192.05)
Foreign currency translation reserve movement		156.67	166.89
Tax relating to above		(28.27)	57.24
		240.72	32.08
Items that will not be reclassified to profit or loss			
Actuarial gains and losses		(6.93)	(49.59)
Changes in fair value of FVOCI instruments		9.30	(7.17)
Tax relating to above		0.95	11.14
		3.32	(45.62)
		244.04	(13.54)
Share of Non Controlling interest in Other Comprehensive income		15.68	(14.49)
OCI for the year		228.36	0.95
Total comprehensive income for the year		1,025.82	638.39
Earnings per Equity Share (of Rs. 5 each)			
- Basic (in Rs.)		13.53	10.81
- Diluted (in Rs.)		13.53	10.81

The accompanying notes forming an integral part of the consolidated financial statements

As per our attached report of even date
For **M L BHUWANIA AND CO LLP**
Chartered Accountants
FRN: 101484W/W100197

Ashishkumar Bairagra
Partner
Membership No. 109931

Place : Mumbai
Dated : May 26, 2021

For and on Behalf of the Board

Dr. Lalit S. Kanodia
Chairman
DIN 0008050

Rahul L. Kanodia
Vice Chairman & CEO
DIN 00075801

R. K. Saraswat
Director
DIN 00015095

Divya Kumat
EVP, Chief Legal Officer & Company Secretary

Sandeep Mantri
Chief Financial Officer



Statement of changes in equity

for the year ended March 31, 2021

A. Equity share capital													(₹ in millions)	
Particulars													294.75	
As at March 31, 2019													-	
Changes in equity share capital													294.75	
As at March 31, 2020													-	
Changes in equity share capital													294.75	
As at March 31, 2021													294.75	
B. Other equity													(₹ in millions)	
		Reserves and surplus						Other comprehensive income				Equity	Attributable	Total other
		Securities premium	Retained earnings	ESOP reserve	General reserve	Capital reserve	Capital redemption reserve	Equity investments	Actuarial gains and losses	Cash flow hedging reserve	Foreign currency translation reserve	Attributable to shareholders of the Company	to non-controlling interests	equity
As at March 31, 2019		1,080.08	3,992.59	21.43	585.88	(62.07)	494.28	4.27	(22.91)	82.68	(71.42)	6,104.81	393.67	6,498.48
Profit for the year		-	637.44	-	-	-	-	-	-	-	-	637.44	(20.37)	617.07
Adjustment for IND AS 116		-	(55.03)	-	-	-	-	-	-	-	-	(55.03)	-	(55.03)
Non controlling interest		-	38.48	-	-	-	-	-	-	-	-	38.48	(38.48)	-
DDL Merger Impact		-	(82.89)	-	-	-	-	-	-	-	-	(82.89)	-	(82.89)
Foreign exchange impact on NCI		-	-	(10.72)	-	-	-	-	-	-	-	(10.72)	(114.67)	(114.67)
ESOP revocation		-	-	-	-	-	-	(7.17)	(36.76)	(126.45)	171.33	0.95	-	(10.72)
Other comprehensive income		-	-	-	-	-	-	-	-	-	-	-	-	0.95
Dividends paid (including taxes of Rs. 992 million)		-	(68.87)	-	-	-	-	-	-	-	-	(68.87)	-	(68.87)
As at March 31, 2020		1,080.08	4,461.72	10.71	585.88	(62.07)	494.28	(2.90)	(59.66)	(43.77)	9991	6,564.18	220.15	6,784.33
Profit for the year		-	797.46	-	-	-	-	-	-	-	-	797.46	42.65	840.11
Sale of subsidiary		-	(355.71)	-	-	-	-	-	-	-	(389.76)	(745.47)	(328.17)	(1,073.64)
Issue share on premium		4.04	-	-	-	-	-	-	-	-	-	4.04	-	4.04
Change in Non controlling interest		-	18.52	-	-	-	-	-	0.18	-	0.53	19.24	26.72	45.95
Foreign exchange impact on NCI		-	-	-	-	-	-	-	-	-	-	-	47.40	47.40
ESOP revocation		-	1.87	(10.71)	-	-	-	-	-	-	-	(8.85)	-	(8.85)
RSU Expenses		-	-	5.68	-	-	-	-	-	-	-	5.68	-	5.68
Other comprehensive income		-	-	-	-	-	-	8.52	(5.21)	79.44	145.60	228.35	(15.68)	212.67
As at March 31, 2021		1,084.12	4,923.87	5.68	585.88	(62.07)	494.28	5.62	(64.69)	35.67	(143.72)	6,864.64	(6.94)	6,857.70

The accompanying notes forming an integral part of the consolidated financial statements

As per our attached report of even date
For **M L BHUWANIA AND CO LLP**
Chartered Accountants
FRN: 101484W/W100197

Ashishkumar Bairagra
Partner
Membership No. 109931

Place : Mumbai
Dated : May 26, 2021

For and on Behalf of the Board

Dr. Lalit S. Kanodia
Chairman
DIN 00008050

Rahul L. Kanodia
Vice Chairman & CEO
DIN 00075801

R. K. Saraswat
Director
DIN 00015095

Divya Kumrat
EVP, Chief Legal Officer & Company Secretary

Sandeep Mantri
Chief Financial Officer

Consolidated Cash flow statement

for the year ended March 31, 2021

	(₹ in millions)	
	March 31, 2021	March 31, 2020
A. Cash flow from operating activities		
Profit before share of Net Profit of Joint Venture and Tax	1,089.27	866.88
Adjustments for :		
Depreciation and amortisation expense	275.32	263.91
Provision for doubtful debts, advances	70.29	45.47
Impairment of Goodwill and other assets	365.89	157.72
Sundry balance written off / (back) (net)	(9.69)	(10.12)
Loss/(Profit) on sale fixed assets (net)	(1.17)	(0.82)
Lease Rent Ind AS 116 impact	19.54	(20.39)
Interest expense	28.26	23.96
Unrealised gain on fair value of financial assets	(6.42)	11.66
Exchange gain on sale of investment	(121.54)	-
Exchange gain on buy back of shares	(194.43)	-
Profit on sale of investments	(21.04)	(26.63)
Loss/(Profit) on sale of subsidiary	(36.50)	4.85
Dividend income	(0.76)	(3.71)
Unrealised foreign exchange (gain) / loss	(80.83)	(24.03)
Interest income	(26.01)	(4.01)
Operating profit before working capital changes	1,350.18	1,284.73
Adjustments for :		
(Increase) / Decrease in trade receivables	545.09	(271.97)
(Increase) / Decrease in loans	1.59	(8.33)
(Increase)/ Decrease in other financial and non-financial assets	(806.03)	(215.77)
Increase/(Decrease) in trade payables	184.77	147.97
Increase/(Decrease) in other financial and non-financial liabilities	(1.74)	214.21
Cash generated from operations	1,273.86	1,150.84
Direct taxes paid (net)	(256.11)	(316.03)
Net cash flow from operating activities (A)	1,017.75	834.81
B. Cash flow from investing activities		
Purchase of fixed assets / capital work-in-progress	(164.18)	(210.14)
Sale of fixed assets	1.69	5.37
Payment towards acquisition of subsidiary / non controlling interest	(5.71)	(124.22)
Proceeds on disposal of subsidiaries	538.48	-
(Purchase)/Sale of investments (net)	(1,224.09)	216.95
Dividend received from others	0.76	3.71
Dividend received from joint venture	50.50	10.71
Interest received	9.60	1.12
Net cash flow used in investing activities (B)	(792.95)	(96.50)
C. Cash flow from financing activities		
Proceeds / (Repayment) of short-term borrowings	(964.64)	605.86
Issue of Equity Shares by subsidiary	4.05	-
Dividend paid (including taxes)	-	(68.87)
Interest paid	(29.24)	(22.98)
Net cash flow used in financing activities (C)	(989.83)	514.01
Net cash flow during the year (A+B+C)	(765.03)	1,252.32
Cash and cash equivalents at the beginning of the year	1,948.17	696.18
Less: Cash and cash equivalents of disposal on subsidiaries	(192.19)	(0.33)
Net cash and cash equivalents at the end of the year (Refer Note No.13)	990.95	1,948.17

- Cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.
- Previous year figures have been regrouped and rearranged wherever considered necessary to make them comparable with those of the current year.

As per our attached report of even date
For **M L BHUWANIA AND CO LLP**
Chartered Accountants
FRN: 101484W/W100197

Ashishkumar Bairagra
Partner
Membership No. 109931

Place : Mumbai
Dated : May 26, 2021

For and on Behalf of the Board

Dr. Lalit S. Kanodia
Chairman
DIN 00008050

Rahul L. Kanodia
Vice Chairman & CEO
DIN 00075801

R. K. Saraswat
Director
DIN 00015095

Divya Kumat
EVP, Chief Legal Officer & Company Secretary

Sandeep Mantri
Chief Financial Officer



Notes forming part of the Consolidated Financial Statements

as at March 31, 2021

Note 1: General Information

Datamatics Global Services Limited (DGSL) having CIN L72200MH1987PLC045205 was incorporated on November 3, 1987 as Interface Software Resources Private Limited. The name of the Group was changed to Datamatics Technologies Private Limited on December 18, 1992. On December 27, 1999, the Group converted itself from a Private Limited Group into a Public Limited Group and the name of the Group was changed to Datamatics Technologies Limited on January 13, 2000. The name of the Group was changed from "Datamatics Technologies Limited" to "Datamatics Global Services Limited" (DGSL) with effect from January 17, 2009. The Group is incorporated in Maharashtra, India and is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India.

DGSL, a trusted partner to several Fortune 500 Companies is a global provider of Information Technology (IT), Business Process Management (BPM) and Consulting services. The Group provides business aligned next-generation solutions to a wide range of industry verticals that help enterprises across the world overcome their business challenges and achieve operational efficiencies. These solutions leverage innovations in technology, knowledge of business processes and domain expertise to provide clients a competitive edge.

Note 2: Significant Accounting Policies

a) Basis of Preparation of Financial Statements:

Compliance with Ind AS

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (IndAS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The consolidated financial statements were approved by the Group's Board of Directors and authorised for issue on May 26, 2021.

b) Basis of Consolidation:

i) Subsidiaries

These consolidated financial statements include the financial statements of Datamatics Global Services Limited and its subsidiaries. The subsidiaries considered in the consolidated financial statements as at March 31, 2021 and as at March 31, 2020 are summarized below:

Name of the Subsidiary	2020 - 21		2019 - 20	
	Country of incorporation	% of shareholding	Country of incorporation	% of shareholding
Datamatics Global Services Inc	USA	100.00	USA	100.00
Datamatics Infotech Limited	UK	100.00	UK	100.00
Datamatics Global Services Pty. Limited	Australia	100.00	Australia	100.00
Datamatics Global Technologies Limited	Mauritius	100.00	Mauritius	100.00
Datamatics Global Technologies AG	Switzerland	100.00	Switzerland	100.00
Datamatics Global Services FZ LLC	U.A.E	100.00	U.A.E	100.00
Datamatics Global Services Corp	Philippines	100.00	Philippines	100.00
Datamatics Global Services B.V.^	Netherlands	100.00	Netherlands	100.00
LD Publishing & eRetail Limited*	India	-	India	100.00
Datamatics Digital Limited**	India	-	India	100.00
Techjini Inc**	USA	-	USA	100.00
Datamatics Staffing Services Limited	India	51.00	India	51.00
Datamatics Robotics Software Inc	USA	92.97	USA	100.00
Datamatics Robotics Software Limited	India	92.97	India	100.00
RJ Globus Solutions Inc	Philippines	100.00	Philippines	87.50
RJ Globus Inc	USA	100.00	USA	87.50
RJ Globus Solutions Private Limited#	India	100.00	India	87.50
Cignex Datamatics Corporation***	BVI	-	BVI	62.51
Cignex Datamatics Inc@	USA	-	USA	62.51
Cignex Datamatics Technologies Limited@	India	-	India	62.51
Cignex Datamatics Pte. Limited@	Singapore	-	Singapore	62.51
Duo Consulting, Inc.\$	USA	-	USA	41.26

Notes forming part of the Consolidated Financial Statements

as at March 31, 2021

Name of the Subsidiary	2020 - 21		2019 - 20	
	Country of incorporation	% of shareholding	Country of incorporation	% of shareholding
Lumina Datamatics Limited	India	100.00	India	98.00
LDR eRetail Limited	India	100.00	India	98.00
Lumina Datamatics Inc	USA	100.00	USA	98.00
Lumina Datamatics GmbH	Germany	100.00	Germany	98.00
Lumina Datamatics Assessment and Analytics, LLC	USA	65.00	USA	63.70

^ Incorporated during the previous year

* Striked off w.e.f. March 22, 2021

** Merged

*** Liquidated w.e.f. August 17, 2020

Under process of striking off

\$ Sold on April 1, 2020

@ Divested w.e.f. January 1, 2021

The financial statements of the Parent Group and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-Group balances / transactions and resulting unrealized profits in full. The amounts shown in respect of accumulated reserves comprises the amount of the relevant reserves as per the balance sheet of the Parent Group and its share in the post acquisition increase / decrease in the relevant reserves / accumulated deficit of its subsidiaries.

Non controlling interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the non controlling shareholders at the dates on which investments are made by the Parent Group in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of investments.

The Parent Group and its Indian subsidiaries maintain their records and prepare their financial statements under the Historical Cost Convention except certain financial assets and liabilities (including derivative instruments) which is measured at fair value or amortised cost, in accordance with generally accepted accounting principals in India while the foreign subsidiaries maintain their records and prepare their financial statements in conformity with GAAP prevalent in their respective countries of domicile.

Consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances except in case of charge of depreciation on fixed assets and other insignificant items for which the accounting treatment is given on the basis of local laws applicable in the respective country, for which using uniform accounting policies for the purpose of consolidation is impracticable.

ii) Joint ventures

Interests in joint ventures are accounted for using the Equity method, after initially being recognised at cost in the consolidated balance sheet.

Name of the Joint venture	2020 - 21		2019 - 20	
	Country of incorporation	% of shareholding	Country of incorporation	% of shareholding
Cybercom Datamatics Information Solutions Limited	India	50.50	India	50.50

Equity Method :

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.



Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

iii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- * certain financial assets and liabilities (including derivative instruments) which is measured at fair value or amortised cost;
- * defined benefit plans – plan assets measured at fair value.

iv) Measurement of fair values

A number of Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has established policies and procedure with respect to measurement of fair values. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, mutual funds and forward contracts that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration.

c) Use of Estimates

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

d) Foreign currency translation

i) Functional and presentation currency

The consolidated financial statements are presented in Indian rupee (INR), which is Group's functional and presentation currency.

ii) Transactions, balances and translation

Transactions in foreign currency are recorded at the rates of exchange prevailing at the date of the transactions.

Monetary items denominated in foreign currencies at the

balance sheet date are translated at the exchange rate prevailing on the balance sheet date. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Any income or expense on account of exchange difference either on settlement or on translation at the balance sheet date is recognised in Statement of Profit and Loss in the year in which it arises.

The consolidated financial statements are reported in Indian rupees. The translation of the local currency of each foreign subsidiary within the Group into Indian rupees is performed in respect of assets and liabilities including fixed assets using the exchange rate in effect at the balance sheet date and for revenue and expense items, using a monthly simple average exchange rate for the period. Net exchange difference resulting from the above translation of financial statements of foreign subsidiaries is recognised in Foreign Exchange Fluctuation Reserve. Exchange Difference arising on investment in subsidiaries is recognised in Foreign Exchange Fluctuation Reserve.

e) Revenue recognition

Revenue from services is recognised based on time and material and billed to the clients as per the terms of the contract.

Revenue related to fixed price maintenance and support services contracts where the Group is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract cost incurred determining the degrees of completion of the performance obligation.

Revenue from the sale of distinct internally developed software and third party software is recognised upfront at the point in time when the software is delivered to the customer. In cases where implementation services rendered significantly modifies or customise the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method.

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.

Cost and earnings in excess of billings are classified as unbilled revenue while billings in excess of cost and earnings are classified as unearned revenue. Discount is recognised on cash basis in accordance with the contractual term of the agreement with the customers.

f) Income tax

Tax expense comprise of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act.

Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

Current income taxes

The current tax expense include income tax expense payable by the Group.

Current income taxes payable by overseas subsidiaries is computed in accordance with tax laws applicable in the jurisdiction in which the respective subsidiaries operates.

Advance taxes and provision for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in some tax jurisdictions.

Deferred tax

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

In the situations where an entity in the Group is entitled to a tax holiday under the Income Tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the entity's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the entity restricts recognition of deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

At each balance sheet date unrecognized deferred tax assets are re-assessed. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the Guidance Note on Accounting for credit available in respect of Minimum Alternate Tax under the Income Tax Act, 1961.

Dividend distribution tax paid on the dividends is recognised consistently with the presentation of the transaction that creates the income tax consequence. Dividend distribution tax is recognised in equity.

g) Leases

The Group evaluates if an arrangement qualifies to be a

lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group are reasonably certain not to exercise that option. In assessing whether the Group are reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics. The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

h) Cash and cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less from date of purchase to be cash equivalents.

i) Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

j) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

k) Investments and other financial assets

i) Classification

The Group classifies its financial assets in the following measurement categories:

* those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

* those measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

* **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

* **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

* **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging

relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Group subsequently measures all equity investments, at fair value (except investment in joint venture which is valued at cost less impairment losses, if any). Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

iii) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 36 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iv) Derecognition of financial assets

A financial asset is derecognised only when

* The Group has transferred the rights to receive cash flows from the financial asset or

* retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

v) Income recognition

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 Group 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.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

l) Derivatives and hedging activities

The Group uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. Such forward contracts are utilised against the inflow of funds under firm commitments. The Group does not use the forward contract for speculative purposes. The Group designates these hedging instruments as cash flow hedge. The use of hedging instruments is governed by the Group's policies approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the Group's risk management strategy.

Hedging instruments are initially measured at fair value and are remeasured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised through other comprehensive income and the ineffective portion is recognised immediately in the Statement of Profit and Loss.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the Statement of Profit and Loss as they arise.

The fair value of derivative financial instruments is determined based on observable market inputs including currency spot and forward rates, yield curves, currency volatility etc.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised or no longer qualifies for hedge accounting. At that time for forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in other comprehensive income is retained until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in other comprehensive income is transferred to the Statement of Profit and Loss for the year.

m) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

n) Property, Plant and Equipment

Property, Plant and Equipments are valued at cost, except for certain Property, Plant and Equipments which have been stated at revalued amounts as determined by approved independent valuer, after reducing accumulated depreciation until the date of the balance sheet. Direct costs are capitalised until the assets are ready to use and include financing costs relating to any specific borrowing attributable to the acquisition of fixed assets. Capital work-in-progress includes assets not put to use before the year end.

Depreciation methods, estimated useful lives and residual value

"Depreciation on property, plant and equipment is provided on the Straight Line Method except for leasehold land, leasehold premises and freehold land as per the useful life and in the manner prescribed in Schedule II to Companies Act, 2013. Leasehold Premises is amortized on the Straight Line Method over the period of 30 years and Leasehold Land is amortized on the Straight Line Method over the period of 75 years.

o) Intangible assets

i) Goodwill

Goodwill on merger of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or Groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

Goodwill on consolidation of subsidiaries is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

ii) Trademarks, copyrights and other rights

Separately acquired Trademarks and copyrights are shown at historical cost. Trademarks, copyrights and non-compete fees acquired in a business combination are recognised at



Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

iii) Computer software

The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

iv) Other Intangible assets

Other intangible assets that do not meet the criteria in (i) to (iii) above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

v) Amortisation methods and periods

The Group amortises intangible assets with a finite useful life using the straight-line method as following:

Particulars	Useful Life
Patents, Trademarks, Copyrights	3 - 5 years
Customer contracts	3 years
Computer Software	3 years
Other intangible assets	3 years

p) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

q) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled

or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

r) Borrowing costs

Borrowing costs, which are directly attributable to the acquisition, construction or production of a qualifying assets are capitalised as a part of the cost of the assets. Other borrowing costs are recognised as expenses in the year in which they are incurred.

s) Provision, Contingent Liabilities and Contingent Assets

The Group recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect current best estimates.

Contingent Assets are neither recognised nor disclosed.

t) Employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

In case of Parent Group and its Indian Subsidiaries; (i)

Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

Defined Contribution Plan - Contribution to defined contribution plans are recognised as expense in the Statement of Profit and Loss, as they are incurred. (ii) Defined Benefit Plan - Companies' liability towards gratuity and leave encashment are determined using the projected unit credit method as at Balance Sheet date. Actuarial gains / losses are recognised immediately in the Statement of Profit and Loss. Long term compensated absences are provided for based on actuarial valuation.

Foreign subsidiaries maintain a defined contribution retirement plan, which covers substantially all the employees of the foreign subsidiaries and qualifies as a deferred salary arrangement under laws of respective countries. The Group matches employees' contributions at the discretion of the Group.

u) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

v) Earnings per share

In determining Earnings per Share, the Group considers the net profit attributable to Group's owners. The number of shares used in computing basic Earnings per Share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted Earnings per Share comprises the weighted average shares considered for deriving basic Earnings per Share and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares.

w) Business Combinations

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in the consolidated statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Purchase consideration paid in excess of fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair value of identifiable assets and liabilities, the excess is recognised as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interest is the amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations arising from transfers of interests in entities that are under common control are accounted at

historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity is recorded in shareholder's equity.

x) Recent Indian Accounting Standards (Ind AS)

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

- Specified format for disclosure of shareholding of promoters.

- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of consolidated financial statements.

The amendments are extensive and the Group will evaluate the same to give effect to them as required by law.

Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

Particulars	₹ in millions)									
	Land	Leasehold Land	Buildings	Leasehold Improvements	Plant & Equipment	Computers	Furniture & Fixtures	Vehicles	Total	Capital work-in-progress
Gross block As at March 31, 2019	302.85	270.30	183.95	203.21	251.70	200.77	173.54	26.70	1,613.02	9.78
Additions	-	-	8.74	41.72	37.01	41.47	13.16	7.52	149.62	9.46
Disposals / derecognised	-	-	(0.03)	(0.24)	(12.24)	(11.30)	(4.48)	(3.64)	(31.92)	(11.91)
Exchange differences	-	-	-	99.2	10.54	4.83	3.51	(0.75)	28.05	-
As at March 31, 2020	302.85	270.30	192.66	254.61	287.01	235.77	185.73	29.83	1,758.76	7.33
Additions	-	-	0.67	26.50	4.73	114.57	6.85	6.71	160.03	-
Disposals (due to divestment)	-	-	-	-	(14.77)	(13.17)	(24.67)	(0.54)	(53.14)	-
Disposals / derecognised	-	-	(0.57)	(5.36)	(0.62)	(0.94)	(0.10)	-	(7.60)	(7.33)
Transfer \Reclass	-	-	0.02	(6.61)	(180.60)	16991	12.82	4.46	-	-
Exchange differences	-	-	-	1.89	(0.01)	24.60	1.99	(0.08)	28.39	-
As at March 31, 2021	302.85	270.30	192.78	271.02	95.75	530.74	182.62	40.38	1,886.45	-

Particulars	₹ in millions)									
	Land	Leasehold Land	Buildings	Leasehold Improvements	Plant & Equipment	Computers	Furniture & Fixtures	Vehicles	Total	Capital work-in-progress
Accumulated depreciation As at March 31, 2019	-	14.04	14.18	49.37	125.17	153.76	6995	9.20	435.67	-
Depreciation charge during the year	-	4.61	3.85	10.16	57.75	40.28	25.86	3.73	146.24	-
Disposals / derecognised	-	-	(0.01)	(0.83)	(11.01)	(10.48)	(1.71)	(3.12)	(27.16)	-
Exchange differences	-	-	-	4.57	8.57	8.87	1.86	0.04	23.92	-
As at March 31, 2020	-	18.65	18.02	63.27	180.49	192.43	95.96	9.85	578.67	-
Depreciation charge during the year	-	4.61	4.04	29.69	5.11	108.62	18.16	3.22	173.45	-
Disposals (due to divestment)	-	-	-	-	(13.55)	(15.75)	(20.71)	(0.32)	(50.33)	-
Disposals / derecognised	-	-	-	(5.44)	(0.11)	(1.24)	(0.67)	-	(7.46)	-
Transfer	-	0.02	0.11	22.05	(112.52)	69.49	16.33	4.52	-	-
Exchange differences	-	-	-	0.51	(0.04)	36.52	0.16	(0.02)	37.13	-
As at March 31, 2021	-	23.28	22.17	110.08	59.38	390.07	109.23	17.25	731.47	-
Net carrying amount as at March 31, 2021	302.85	247.02	170.61	160.94	36.37	140.68	73.39	23.14	1,155.00	-
Net carrying amount as at March 31, 2020	302.85	251.65	174.64	191.34	106.52	43.34	89.77	19.98	1,180.09	7.33

Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

Note 4 - Intangible assets

Particulars	Computer Software	Non-Compete Fees	Copy Rights	Trade Mark	Customer Contracts	Other Intangibles	Total	Goodwill	(₹ in millions)	
									Intangible assets under development	Right to Use Assets
Gross block										
As at March 31, 2019	385.23	29.66	8.35	1.42	58.08	6.02	488.75	2,146.00	3.20	-
Additions	67.50	-	-	0.75	-	-	68.25	-	4.87	278.91
Impairment loss during the year	-	-	-	-	-	-	-	(157.72)	-	-
Disposals / derecognised (Refer Note No 42(ii))	(56.28)	-	-	-	-	-	(56.28)	(82.89)	-	-
Exchange differences	0.56	-	-	-	1.82	(0.09)	2.29	92.18	-	-
As at March 31, 2020	397.01	29.66	8.35	2.17	59.90	5.93	503.02	1,997.57	3.71	278.91
Additions	14.95	-	-	-	-	3.71	18.67	-	-	118.58
Impairment loss during the year	-	-	-	-	-	-	-	(365.89)	-	-
Disposals (due to divestment)	(2.18)	-	-	-	-	(0.08)	(2.26)	-	-	-
Disposals / derecognised	(40.85)	-	-	-	-	-	(40.85)	(865.49)	-	(44.82)
Transfers	-	-	-	-	-	-	-	-	(3.71)	-
Exchange differences	(2.55)	-	-	-	-	(5.43)	(7.97)	(19.72)	-	0.33
As at March 31, 2021	366.39	29.66	8.35	2.17	59.90	4.14	470.61	746.47	-	353.01

Particulars	Computer Software	Non-Compete Fees	Copy Rights	Trade Mark	Customer Contracts	Other Intangibles	Total	Goodwill	(₹ in millions)	
									Intangible assets under development	Right to Use Assets
Accumulated amortisation and impairment										
As at March 31, 2019	196.80	22.13	6.13	0.21	41.42	3.42	270.11	21.75	-	-
Amortisation charge during the year	94.88	6.72	1.88	0.75	13.33	0.12	117.67	-	-	106.06
Disposals / derecognised	(56.28)	-	-	-	-	-	(56.28)	-	-	-
Exchange differences	2.83	-	-	-	1.83	1.68	6.34	27.90	-	-
As at March 31, 2020	238.23	28.85	8.01	0.96	56.57	5.22	337.84	49.65	-	106.06
Amortisation charge during the year	77.13	0.81	0.33	0.76	3.33	19.50	101.87	-	-	119.49
Disposals (due to divestment)	(2.02)	-	-	-	-	(0.08)	(2.09)	-	-	-
Disposals / derecognised	(40.85)	-	-	-	-	-	(40.85)	-	-	(46.08)
Exchange differences	(2.45)	-	-	-	-	(5.35)	(7.79)	(27.69)	-	0.26
As at March 31, 2021	270.05	29.65	8.35	1.71	59.90	19.30	388.98	21.96	-	179.74
Net carrying amount as at March 31, 2021	96.34	0.01	0.00	0.45	(0.00)	(15.16)	81.63	724.50	-	173.27
Net carrying amount as at March 31, 2020	158.78	0.81	0.34	1.21	3.33	0.71	165.18	1,947.92	3.71	172.85



Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

Note 5 – Non-current investments

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Investment in equity instruments (fully paid-up)		
Quoted (FVOCI)		
18,234 (P.Y. 18,234) fully paid Equity Shares of Rs. 2 each of Wipro Limited	7.55	3.58
5,000 (P.Y. 5,000) fully paid Equity Shares of Rs. 1 each of Vikas WSP Limited	0.03	0.02
800 (P.Y. 800) fully paid Equity Shares of Rs. 5 each of Mahindra and Mahindra Limited	0.64	0.23
8,998 (P.Y. 8,998) fully paid Equity Shares of Rs. 10 each of Coal India Limited	1.17	1.26
38,767 (P.Y. 38,767) fully paid Equity Shares of Rs. 10 each of Powergrid Corporation	8.36	6.16
5,000 (P.Y. 5,000) fully paid Equity Shares of Rs. 2 each of Axis Bank Limited	3.49	1.90
1,800 (P.Y. 1,800) fully paid Equity Shares of Rs. 2 each of Larsen and Toubro Limited	2.55	1.45
Nil (P.Y. 900) fully paid Equity Shares of Rs. 10 each of Cybertech Limited	-	0.03
35,200 (P.Y. 35,200) fully paid Equity Shares of Rs. 10 each of Global Offshore Services Limited	0.22	0.09
11,000 (P.Y. Nil) fully paid Equity Shares of Rs. 10 each of Indian Bank Limited	1.28	-
3,000 (P.Y. Nil) fully paid Equity Shares of Rs. 1 each of SBI Bank	1.09	-
130 (P.Y. Nil) fully paid Equity Shares of Rs. 1 each of HDFC Bank Limited	0.19	-
5,716 (P.Y. Nil) fully paid Equity Shares of Rs. 10 each of SBI Card and Payment Services Limited	5.31	-
2,392 (P.Y. Nil) fully paid Equity Shares of Rs. 10 each of Tata Communications Limited	2.54	-
6,192 (P.Y. Nil) fully paid Equity Shares of Rs. 2 each of Crompton Greaves Consumer Electrical Limited	2.43	-
958 (P.Y. Nil) fully paid Equity Shares of Rs. 10 each of Endurance Technologies Limited	1.39	-
25,057 (P.Y. Nil) fully paid Equity Shares of Rs. 10 each of IDFC Limited	1.19	-
179 (P.Y. Nil) fully paid Equity Shares of Rs. 10 each of Schaeffler India Limited	0.97	-
3,531 (P.Y. Nil) fully paid Equity Shares of Rs. 2 each of Birlasoft Limited	0.89	-
810 (P.Y. Nil) fully paid Equity Shares of Rs. 10 each of SBI Life Insurance Company Limited	0.71	-
6,826 (P.Y. Nil) fully paid Equity Shares of Rs. 10 each of Equitas Holdings Limited	0.60	-
603 (P.Y. Nil) fully paid Equity Shares of Rs. 2 each of Max Financial Services Limited	0.52	-
2,404 (P.Y. Nil) fully paid Equity Shares of Rs. 1 each of City Union Bank Limited	0.37	-
1,056 (P.Y. Nil) fully paid Equity Shares of Rs. 2 each of Sterlite Technologies Limited	0.21	-
56 (P.Y. 56) fully paid Equity Share of Dana Holding Corporation	0.80	0.83
Investment in debentures – Quoted (at amortised cost)		
130 (P.Y. Nil) Units of Rs. 100,000 each of 9.2% Non Convertible Redeemable Debentures of Edelweiss Finance and Investments Limited	15.05	-
Investment in equity instruments (fully paid-up)		
In Joint venture – Unquoted (at cost)		
428,400 (P.Y. 428,400) fully paid equity shares of Cybercom Datamatics Information Solutions Limited of Rs. 10 each	31.44	77.58
In Others (FVOCI)		
4,657 (P.Y. 4,657) fully paid equity shares of HandyTraining Technologies Private Limited of Rs. 10 each	15.00	15.00
Total	106.02	108.14
Aggregate amount of quoted investments	44.52	15.56
Aggregate amount of unquoted investments	61.50	92.58
Aggregate market value of quoted investments	44.52	15.56

Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

Note 6 - Non-current Loans

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
(Unsecured, considered Good, unless specified otherwise)		
Others -		
Loan to employees	0.27	0.55
Loan to Others	-	0.75
Total	0.27	1.30

Note 7 - Other non-current financial assets

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Security deposits	126.57	141.61
Less: Provision for doubtful deposits	9.17	6.17
Net security deposits	117.40	135.44
Fixed deposits	-	0.44
Fair value of outstanding forward contracts (FVOCI)	14.03	2.72
Total	131.43	138.60

Note 8 - Deferred Tax Assets (Net)

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Deferred Tax Assets	153.88	50.31
Total	153.88	50.31

8(a) - Income tax expense

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Current tax		
Current tax on profits for the year	302.32	240.16
Adjustments for current tax of prior periods	10.78	5.63
Total current tax expense	313.10	245.79
Deferred tax		
Decrease/(increase) in deferred tax assets	(60.68)	14.66
Adjustments for deferred tax of prior periods	1.10	1.39
Total deferred tax expense/(benefit)	(59.58)	16.05
Income tax expense	253.52	261.84



Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

8(b) - Reconciliation of tax expense and accounting profit multiplied by statutory tax rates

(₹ in millions)

Particulars	March 31, 2021	March 31, 2020
Profit for the year	1,093.62	878.91
Tax expense at applicable tax rate	295.76	205.92
Effects of:		
Items not deductible for tax	1.92	14.51
Tax holiday and Exempt income	(40.01)	(17.35)
Impairment of goodwill and other assets	-	33.12
Recognition of unutilized tax benefits / Unrecognized losses utilized	5.90	(8.68)
Change in tax base	(10.65)	(10.44)
Undistributed Earnings	(13.43)	(17.66)
Income taxed at higher / (lower) rates	(11.56)	(1.58)
Change in tax rate and law	-	26.07
Adjustments for tax of prior periods	11.87	7.02
Others, net	13.72	30.91
Income tax expense	253.52	261.84

8(c) - Deferred tax assets

The balance comprises temporary differences attributable to:

(₹ in millions)

Particulars	March 31, 2020	Recognized in Income statement	Recognized in OCI	Other (Due to Acquisition, FCTR, BS etc.)	March 31, 2021
Deferred Tax Assets					
Employee Benefits	84.07	15.88	1.73	(16.62)	85.06
Provision for doubtful debts	44.06	(14.08)	-	-	29.98
Investment In Subsidiaries	(19.12)	-	-	19.12	-
MAT Credit	0.49	-	-	(0.49)	-
Net Operating Losses	21.43	36.36	-	(1.87)	55.92
Others	23.23	(22.04)	-	(0.06)	1.13
Total Deferred Tax Assets	154.16	16.12	1.73	0.08	172.09
Deferred Tax Liabilities					
Depreciation	34.70	(41.52)	-	2.11	(4.71)
Unrealised gain on securities carried at fair value through profit or loss / other comprehensive income	0.78	0.83	0.77	(0.03)	2.35
Cash Flow Hedging	(19.14)	-	28.28	0.78	9.91
Undistributed Earnings	87.51	(13.43)	-	(74.08)	-
Others	-	10.66	-	-	10.66
Total Deferred Tax Liabilities	103.85	(43.46)	29.05	(71.22)	18.21
Net Deferred Tax	50.31	59.58	(27.32)	71.30	153.88

Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

8(c) - Deferred tax assets

The balance comprises temporary differences attributable to:

Particulars	(₹ in millions)				
	March 31, 2020	Recognized in Income statement	Recognized in OCI	Other (Due to Acquisition, FCTR, BS etc.)	March 31, 2021
Deferred Tax Assets					
Employee Benefits	87.68	(13.80)	10.77	(0.58)	84.07
Provision for doubtful debts	71.84	(25.77)	-	(2.01)	44.06
Investment In Subsidiaries	2.05	(2.05)	-	(19.12)	(19.12)
MAT Credit	6.35	(4.88)	-	(0.98)	0.49
Net Operating Losses	10.62	11.17	-	(0.36)	21.43
Others	20.66	0.69	-	1.88	23.23
Total Deferred Tax Assets	199.20	(34.64)	10.77	(21.17)	154.16
Deferred Tax Liabilities					
Depreciation	30.66	3.80	-	0.24	34.70
Unrealised gain on securities carried at fair value through profit or loss / other comprehensive income	5.77	(4.72)	(0.37)	0.10	0.78
Cash Flow Hedging	39.41	-	(57.24)	(1.31)	(19.14)
Undistributed Earnings	98.43	(17.67)	-	6.74	87.51
Others	0.02	-	-	(0.02)	-
Total Deferred Tax Liabilities	174.29	(18.59)	(57.61)	5.75	103.85
Net Deferred Tax	24.91	(16.05)	68.38	(26.92)	50.31

Note:

The tax movement above includes the changes due to recognition to statement of profit and loss, other comprehensive income, Equity, MAT credit creation/utilisation during the period and foreign currency translation.

Note 9 - Non-current tax assets (Net)

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Advance Tax & TDS (net of provision)	133.46	159.29
Total	133.46	159.29

Note 10 - Other non-current assets

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Capital advances	0.10	0.14
Other advances -		
Prepaid expenses	6.25	3.95
Balance with govt authorities	0.05	0.05
Other assets	0.43	0.42
Total	6.82	4.56



Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

Note 11 – Current investments

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Investment in mutual funds		
Quoted (at FVTPL)		
5,815 (P.Y. Nil) units of Kotak Money Market Fund	20.16	-
6,880 (P.Y. Nil) units of Kotak Corporate Bond Fund Growth	19.96	-
19,44,995 (P.Y. Nil) units of Nippon India Floating Rate Fund	70.00	-
8,17,663 (P.Y. Nil) units of Aditya Birla SL Liquid Fund - Growth	269.26	-
3,22,791 (P.Y. Nil) units of ABSL Saving Fund	136.45	-
74,21,214 (P.Y. Nil) units of ICICI Ultra Short Term Fund	160.05	-
14,95,360 (P.Y. Nil) units of ICICI Corporate Bond Fund DP Growth	35.15	-
3,09,635 (P.Y. Nil) units of ICICI Short Term Fund DP Growth	15.05	-
2,57,471 (P.Y. Nil) units of ICICI All Seasons Bond Fund DP Growth	7.53	-
2,73,042 (P.Y. Nil) units of IDFC Dynamic Bond Fund Growth	7.35	-
7,48,914 (P.Y. Nil) units of Axis Short Term Direct Plan Growth	19.02	-
2,51,041 (P.Y. Nil) units of Axis Short Term Regular Growth	6.00	-
1,89,229 (P.Y. Nil) units of ABSL Floating Rate Fund - Reg - Growth	50.30	-
1,09,049 (P.Y. Nil) units of ICICI Prudential Liquid Fund - Direct Plan - Growth	33.23	-
3,482 (P.Y. Nil) units of Kotak Liquid - Direct Plan- Growth	14.48	-
35,251 (P.Y. Nil) units of ICICI Money Market Fund	10.33	-
18,729 (P.Y. Nil) units of HDFC Money Market Fund	82.76	-
27,368 (P.Y. Nil) units of HDFC Overnight Fund Regular Plan Growth	83.21	-
73,163 (P.Y. 11,411) units of Kotak Overnight Fund Growth Option	80.20	12.16
5,507 (22) units of HDFC Liquid Funds- Daily Dividend	5.62	0.02
79,218 (P.Y. 2,80,636) units of Aditya Birla SL Money Manager Fund -Growth	22.57	9.32
3,465 (P.Y. 3,846) Units of Nippon India Liquid Fund-Growth Plan - Growth Option	17.44	18.60
1,44,018 (P.Y. 1,44,018) Units of Nippon India Arbitrage Fund-Direct Growth Plan Growth Option	3.14	3.01
Nil (P.Y. 13,485) units of ICICI Prudential Liquid Fund - Growth	-	3.94
Nil (P.Y. 226) Units of Reliance Liquid fund - TP - Growth	-	1.09
Nil (P.Y. 88,285) Units of Franklin India Overnight Fund Growth	-	92.20
Nil (P.Y. 923,898) Units of HDFC Short Term Debt Fund - Growth	-	20.92
Nil (P.Y. 844,824) units of Nippon India Overnight Fund - Dir - Growth	-	90.50
Nil (P.Y. 3) units of Motilal Oswal Home Finance Limited	-	3.18
Investment in fixed deposits		
Unquoted (at Cost)		
Corporate Fixed Deposits	290.00	-
Total	1,459.25	254.95
Aggregate amount of quoted investments	1,169.25	254.95
Aggregate amount of unquoted investments	290.00	-
Aggregate market value of quoted investments	1,169.25	254.95

Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

Note 12 - Trade receivable

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Unsecured		
Considered Good (Refer Note No 39)	1,862.23	2,808.87
Less :- Allowance for expected credit loss	27.22	84.36
	1,835.01	2,724.51
Credit impaired		
Credit impaired	133.73	120.96
Less :- Allowance for expected credit loss (Refer Note No 39)	133.73	120.96
	-	-
Total	1,835.01	2,724.51

Trade receivable includes receivable from related parties (Refer Note No. 45).

Note 13 - Cash and cash equivalents

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Balances with Bank		
-in current accounts	907.02	1,662.44
-in deposit accounts	80.00	278.60
Cash on hand	3.93	7.13
Total	990.95	1,948.17

Note 14 - Other bank balance

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Margin money deposits*	37.79	37.20
Balances with bank in deposit accounts	95.00	0.10
Unpaid dividend account**	1.52	1.77
Total	134.31	39.07

* Of the above Rs. 37.79 million (As at March 31, 2020: Rs. 37.20 million) are marked as lien for guarantees issued by banks on behalf of the Company.

** The Group can utilise balances only towards settlement of the unpaid dividend.

Note 15 - Current loans

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
(Unsecured, Considered Good, unless specified otherwise)		
Others-		
Loan to employees	4.65	5.97
Loan to Others	-	5.00
Total	4.65	10.97



Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

Note 16 - Other current financial assets

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Security deposits	5.04	14.56
Less: Provision for doubtful deposits - current	2.50	2.50
Net Security deposits	2.54	12.06
Advances to related parties	4.19	5.53
Others-		
Interest accrued	6.67	2.84
Fair Value of Outstanding Forward Contracts (FVOCI)	50.94	27.00
Unbilled Revenue	852.22	722.70
Other financial assets	677.30	-
Total	1,593.86	770.13

Note 17 - Current tax assets (Net)

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Advance Tax & TDS (net of provision)	75.32	49.49
Total	75.32	49.49

Note 18 - Other current assets

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Advance to Vendors	37.39	60.91
Reimbursable Custom Duty	1.60	0.80
Advance to staff	6.70	21.92
Balance with govt authorities	124.68	111.35
Prepaid expenses	147.75	150.09
Other assets	2.90	6.19
Total	321.03	351.27

Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

Note 19 – Share capital and other equity

19(a) Equity share capital

(i) Authorised share capital of face value of ₹ 5/- each

Particulars	Number of shares	(₹ in millions)
As at March 31, 2019	10,40,00,000	520.00
Increase during the year*	1,200,000	6.00
As at March 31, 2020	105,200,000	526.00
Increase during the year	-	-
As at March 31, 2021	105,200,000	526.00

*Pursuant to scheme of merger of the DDL with the company (Refer Note No. 42 (ii))

Authorised redeemable preference share capital of face value of ₹ 10/- each

Particulars	Number of shares	(₹ in millions)
As at March 31, 2019	4,55,50,000	455.50
Increase during the year	-	-
As at March 31, 2020	4,55,50,000	455.50
Increase during the year	-	-
As at March 31, 2021	4,55,50,000	455.50

Issued, Subscribed and Paid-up equity share capital of face value of ₹ 5/- each

Particulars	Number of shares	(₹ in millions)
As at March 31, 2019	5,89,49,337	294.75
Increase during the year	-	-
As at March 31, 2020	5,89,49,337	294.75
Increase during the year	-	-
As at March 31, 2021	5,89,49,337	294.75

(ii) Movements in equity share capital

Particulars	Number of shares	(₹ in millions)
As at March 31, 2019	5,89,49,337	294.75
Issued during the year	-	-
As at March 31, 2020	5,89,49,337	294.75
Issued during the year	-	-
As at March 31, 2021	5,89,49,337	294.75

(iii) Shares of the company held by holding company

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
32,098,742 (32,098,742) Equity shares of ₹ 5/- held by Delta Infosolutions Private Limited	165.00	165.00

(iv) Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2021		March 31, 2020	
	Number of shares	% Holding	Number of shares	% Holding
Delta Infosolutions Private Limited	32,098,742	54.45%	32,098,742	54.45%
Lalit Surajmal Kanodia	4,788,265	8.12%	36,15,384	6.13%
Asha Lalit Kanodia	3,305,258	5.61%	3,305,258	5.61%

(v) Terms / rights attached to equity shares

The Company, at present, has one class of equity shares having a par value of Rs. 5 per share. Each shareholder is eligible for one vote per share held. The voting rights on Unclaimed Suspense Account shares are frozen till the rightful owner of such shares claims the shares. The Company declares and pays dividend in Indian Rupees. The remittance of dividends outside India is governed by Indian law on foreign exchange and is subject to applicable distribution taxes. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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 preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

19(b) Other equity		(₹ in millions)	
Particulars			
		March 31, 2021	March 31, 2020
Securities premium reserve	Refer Note (i) below	1,084.12	1,080.08
Retained earnings		4,923.87	4,461.72
ESOP reserve	Refer Note (ii) below	5.68	10.71
General reserve	Refer Note (iii) below	585.88	585.88
Capital reserve	Refer Note (iv) below	(62.07)	(62.07)
Capital redemption reserve	Refer Note (v) below	494.28	494.28
OCI -			
Equity investments	Refer Note (vi) below	5.62	(2.90)
Actuarial gains and losses		(64.69)	(59.66)
Cash flow hedging reserve	Refer Note (vii) below	35.67	(43.77)
Foreign currency translation reserve	Refer Note (viii) below	(143.72)	99.91
Total		6,864.64	6,564.18

Nature of reserves

(i) Securities Premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

(ii) ESOP Reserve

ESOP reserve is created for issue of share capital under RSU plan.

(iii) General Reserve

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to statement of profit and loss.

(iv) Capital Reserve

Capital reserve created on the merger of one of the subsidiaries with the company. Also Goodwill on common control transaction is adjusted against capital reserve.

(v) Capital Redemption Reserve

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve.

(vi) OCI - Equity investments

The company recognises unrealised and realised gain on equity shares in FVOCI - Equity investments.

(vii) OCI - Cash Flow Hedging Reserve

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve. Such gains or losses will be reclassified to statement of profit and loss in the period in which the hedged transaction occurs.

(viii) OCI - Foreign currency translation reserve

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is recognised in other comprehensive income, net of taxes and is presented within equity in the foreign currency translation reserve.

Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

Note 20 - Lease liabilities (Non-current)

Particulars	₹ in millions)	
	March 31, 2021	March 31, 2020
Lease liabilities	105.00	109.44
Total	105.00	109.44

Note 21 - Other financial liabilities (Non-current)

Particulars	₹ in millions)	
	March 31, 2021	March 31, 2020
Creditor for capital expenditure	0.61	0.53
Fair Value of outstanding forward contracts (FVOCI)	5.14	51.72
Total	5.74	52.25

Note 22 - Provisions (Non-current)

Particulars	₹ in millions)	
	March 31, 2021	March 31, 2020
Unfunded (Refer Note No. 51)		
Provisions for employee benefits		
Gratuity	188.39	196.53
Leave encashment	83.76	81.96
Total	272.15	278.49

Note 23 - Current borrowings

Particulars	₹ in millions)	
	March 31, 2021	March 31, 2020
(Secured)		
Working capital loan*	-	
From Banks	-	955.89
From Others	-	8.75
Total	-	964.64

*Notes-

Working capital loans from Standard Chartered Bank, ICICI Bank, Silicon Valley Bank USA and Citibank N.A. are secured by way of first pari passu charge on hypothecation of stock, book debts and movable property, plant and equipment of the Group, both, past and present.

Term loan from Citicorp Finance (India) Limited is secured by way of creation of mortgage and exclusive charge in favour of company in respect of its Immovable properties being all the piece and parcel of the land bearing Plot No. 58 in MIDC at Mumbai and 2nd Floor and 3rd Floor in Suyojit Commercial Complex, at Nashik.

Term - 3 years

Repayment terms - 8 Equated Quarterly Instalments of principal (together with interest) after 15 months from the date of first draw down. Loan shall always be repayable on demand at the sole discretion of the company hence considered as current borrowings.

Note 24 - Trade payables

Particulars	₹ in millions)	
	March 31, 2021	March 31, 2020
Dues of Micro and small enterprises	7.88	5.63
Dues other than Micro and small enterprises	887.51	891.67
Total	895.39	897.30

Micro and Small enterprises have been identified by the Group on the basis of the information available with the Group. Total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are given below :



Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
(a) Dues remaining unpaid		
- Principal	-	-
- Interest on above*	-	-
(b) Interest paid in terms of Section 16 of MSMED Act		
- Principal paid beyond the appointed date	-	-
- Interest paid in terms of Section 16 of MSMED Act	-	0.01
(c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	-	-
(d) Amount of interest accrued and unpaid*	-	-

* The Group has not provided any interest on the amount outstanding beyond stipulated period in the previous year.

Note 25 - Other financial liabilities (current)

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Fair Value of contingent consideration	-	22.17
Fair value of outstanding forward contracts (FVOCI)	18.38	48.87
Interest accrued but not due	-	0.98
Deposits received	14.55	14.84
Unclaimed dividend	1.52	1.77
Other payables	6.76	6.58
Total	41.21	95.21

Note 26 - Lease liabilities (Current)

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Lease liabilities	95.68	109.11
Total	95.68	109.11

Note 27 - Provisions (Current)

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Unfunded (Refer Note No. 51)		
Provisions for employee benefits		
Gratuity	34.39	24.91
Leave encashment	56.55	43.55
Total	90.94	68.46

Note 28 - Current tax liabilities (net)

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Provision for tax (net of advance tax)	27.59	15.22
Total	27.59	15.22

Note 29 - Other current liabilities

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Statutory dues (net)	144.72	199.07
Advance from customers	181.47	87.99
Unearned revenue	68.32	144.08
Total	394.51	431.14

Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

Note 30 - Revenue from operations		(₹ in millions)	
Particulars	March 31, 2021	March 31, 2020	
Sale of Product	134.83	214.90	
Sale of Services	11,355.70	11,818.34	
Total	11,490.53	12,033.24	

Note 31 - Other income		(₹ in millions)	
Particulars	March 31, 2021	March 31, 2020	
Interest from Bank	5.87	2.82	
Interest on Income Tax	6.70	-	
Interest Others	13.44	1.19	
Dividend on share investment	0.76	3.71	
Profit on sale of investments	21.04	26.63	
Profit on sale of assets (Net)	1.17	0.82	
Sundry balances written back	9.69	10.12	
Unrealised gain on fair value of financial assets	6.42	(11.66)	
Exchange gain (net)	21.04	152.63	
Miscellaneous receipts	21.40	18.83	
Total	107.53	205.10	

Note 32 - Purchase of products and licenses		(₹ in millions)	
Particulars	March 31, 2021	March 31, 2020	
Purchase of IT Products and Licenses	105.09	169.89	
Total	105.09	169.89	

Note 33 - Employee benefit expenses		(₹ in millions)	
Particulars	March 31, 2021	March 31, 2020	
Basic Salary, Wages & Allowances	7,292.71	7,233.03	
Contribution towards Provident & Other funds	298.56	291.40	
Share based compensation (Refer Note No. 51)	(4.23)	-	
Staff Welfare expenses	120.82	226.27	
Total	7,707.86	7,750.70	

Note 34 - Finance costs		(₹ in millions)	
Particulars	March 31, 2021	March 31, 2020	
Interest on loan from banks	25.62	20.26	
Interest on lease liabilities	(1.58)	13.81	
Interest on loan others	2.63	3.70	
Other finance charges	5.76	8.49	
Total	32.44	46.26	

Note 35 - Depreciation and Amortisation Expenses		(₹ in millions)	
Particulars	March 31, 2021	March 31, 2020	
Depreciation on property plant and equipment	173.45	146.24	
Depreciation on Leased Assets	119.49	106.06	
Amortisation on intangible assets	101.87	117.67	
Total	394.81	369.97	



Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

Note 36 - Other expenses

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
IT Infrastructure & Development Cost	167.58	109.50
Technical fees	494.32	631.56
Outsourcing cost	399.79	533.84
Vendor charges	42.73	45.61
Travelling expenses	57.76	314.19
Recruitment charges	42.01	61.65
Rent (Refer Note 46)	94.23	155.70
Electricity expenses	80.85	133.45
Communication charges	120.94	100.29
Rates & Taxes	23.03	35.50
Water charges	0.80	2.62
Legal & Professional expenses	176.47	196.22
Auditor's Remuneration (Refer Note 47)	11.10	11.50
Link Charges	40.48	45.50
Insurance	29.84	31.62
Vehicle expenses	2.63	27.58
Repairs & Maintenance expenses	90.28	95.09
Software Maintenance expenses	72.06	56.87
Hire charges	62.48	29.80
Printing & Stationery	20.13	32.66
Subscription expenses	30.07	38.29
Entertainment Expenses	3.21	6.84
Bank Charges	14.50	13.75
Board Sitting Fees	1.58	1.07
Loss on sale of subsidiary	-	4.85
Sales Promotion	51.47	49.87
Security Charges	29.45	31.04
Bad Debts Written off	89.87	74.80
Less: Provision for doubtful debts written back	(49.86)	(74.80)
Allowance for Doubtful Debts	27.28	45.47
Provision for doubtful deposit	3.00	-
CSR Expenditure	10.71	20.67
Miscellaneous expenses	14.37	14.29
Total	2,255.16	2,876.92

Note 37 - Exceptional items

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Profit on Sale of Investment (1)	36.50	-
Impairment of goodwill and other assets (2)	(365.89)	157.72
Exchange gain on sale of financial assets (3)	315.96	-
Total	(13.43)	157.72

Note:

- The group recorded the profit of Rs. 36.50 million relating to sale of investments of Cignex Datamatics Corporation BVI, a subsidiary to third party.
- (a) The group performed the impairment assessment of Vista, a business segment of the group, and basis that goodwill amounting to Rs. 99.24 million was impaired.
(b) As a result of change in market condition, Lumina Datamatics Inc performed an impairment assessment for assets forming part of investment in subsidiary i.e. Lumina Datamatics Analytics and Assessment Limited (LDAA) and Lumina Datamatics GmbH (LDgmbh). The recoverable amount of these assets were estimated to be lower than their carrying value and this resulted in an impairment of INR 88.95 million and INR 177.70 million in LDAA and LDgmbh respectively, during the year ended March 31, 2021.
- The group recorded the exchange gain of Rs. 121.54 million and INR 194.42 million relating to the redemption of preference share of Datamatics Global Technologies Limited, a subsidiary and buyback of shares of Lumina Datamatics Inc, a subsidiary.

Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

Note 38: Fair value measurements

Financial instruments by category

(₹ in millions)

	March 31, 2021			March 31, 2020		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Mutual funds	1,169.25	-	-	254.95	-	-
- Fixed Deposits	-	-	290.00	-	-	-
- Debentures	-	-	15.05	-	-	-
- Equity instruments	-	59.52	-	-	30.56	-
Trade receivables	-	-	1,835.01	-	-	2,724.51
Cash and cash equivalents	-	-	990.95	-	-	1,948.17
Bank balances other than Cash and cash equivalents	-	-	134.31	-	-	39.07
Security deposit	-	-	119.94	-	-	147.50
Fair value of outstanding forward contracts	-	64.97	-	-	29.72	-
Loan to Employees	-	-	4.92	-	-	6.52
Unbilled Revenue	-	-	852.22	-	-	722.70
Other receivables	-	-	688.16	-	-	14.58
Total financial assets	1,169.25	124.49	4,930.57	254.95	60.28	5,603.04
Financial liabilities						
Borrowings	-	-	-	-	-	964.64
Trade payables	-	-	895.39	-	-	897.30
Fair Value of Outstanding Forward Contracts	-	23.52	-	-	100.59	-
Fair Value of contingent consideration	-	-	-	22.17	-	-
Lease liabilities	-	-	200.68	-	-	218.55
Other payables	-	-	23.43	-	-	24.69
Total financial liabilities	-	23.52	1,119.50	22.17	100.59	2,105.19

i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the consolidated financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard.

(₹ in millions)

Financial assets and liabilities measured at fair value At March 31, 2021	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVPL				
Mutual funds	1,169.25	-	-	1,169.25
Financial Investments at FVOCI				
Fair value of outstanding forward contracts	64.97	-	-	64.97
Equity instruments	44.52	-	15.00	59.52
Total financial assets	1,278.74	-	15.00	1,293.74
Financial Liabilities				
Fair value of outstanding forward contracts	23.52	-	-	23.52
Total financial liabilities	23.52	-	-	23.52



Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

				(₹ in millions)
Financial assets and liabilities measured at fair value At March 31, 2020	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVPL				
Mutual funds	254.95	-	-	254.95
Financial Investments at FVOCI				
Fair value of outstanding forward contracts	29.72	-	-	29.72
Equity instruments	15.56	-	15.00	30.56
Total financial assets	300.23	-	15.00	315.23
Financial Liabilities				
Fair value of outstanding forward contracts	100.59	-	-	100.59
Fair value of contingent consideration	-	-	22.17	22.17
Total financial liabilities	100.59	-	22.17	122.76

There are no transfers between levels 1 and 2 during the year.

Reconciliation of Level 3 fair value measurement is as follows:

		(₹ in millions)
Particulars		Amount
Balance as on March 31, 2019		15.00
Change in the value		-
Balance as on March 31, 2020		15.00
Change in the value		-
Balance as on March 31, 2021		15.00

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

* the use of quoted market prices or dealer quotes for similar instruments

All of the resulting fair value estimates are included in level 3 except for unlisted equity securities, contingent consideration and indemnification asset, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

iii) Valuation processes

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Note 39: Financial risk management

The Group's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

This note explains the sources of risk which the Group is exposed to and how the Group manages the risk and the impact of hedge accounting in the financial statements

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and financial assets	Aging analysis, Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and Trade payable	Maturity analysis, cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Import Payables and Export Receivables	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts
Market risk – security prices	Investments in equity securities	Sensitivity analysis	Portfolio diversification

Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

The Board provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk, liquidity risk, and Foreign Exchange Risk effecting business operations. The company's risk management is carried out by the management as per guidelines and policies approved by the Board of Directors.

A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses the direct risk of default, risk of deterioration of creditworthiness as well as concentration risks. The Group is exposed to credit risk from its operating activities (primarily trade receivables), deposits with banks and loans given.

Credit risk management

The Group's credit risk mainly from trade receivables as these are typically unsecured. This credit risk has always been managed through credit approvals, establishing credit limits and continuous monitoring the creditworthiness of customers to whom credit is extended in the normal course of business. The Group estimates the expected credit loss based on past data, available information on public domain and experience. Expected credit losses of financial assets receivable are estimated based on historical data of the Group. The Group has provisioning policy for expected credit losses. There is no credit risk in bank deposits which are demand deposits. The credit risk is minimum in case of entity / person to whom loan has been given.

The maximum exposure to credit risk as at March 31, 2021 and March 31, 2020 is the carrying value of such trade receivables as shown in note 12 of the financials.

Reconciliation of loss allowance provision – Trade receivables

Particulars	₹ In millions
Loss allowance on 31 March 2019	256.71
Changes in loss allowance	23.41
Bad debts written off	(74.80)
Loss allowance on 31 March 2020	205.32
Changes in loss allowance	5.49
Bad debts written off	(49.86)
Loss allowance on 31 March 2021	160.95

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

C) Market risk

i) Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EUR and GBP. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

The Group's risk management policy is to hedge around 70% to 85% of forecasted revenue for the subsequent 24 months. As per the risk management policy, foreign exchange forward contracts are taken to hedge around 70% to 85% of the forecasted revenue.



Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

a) Foreign currency risk exposure:

Details of foreign currency exposures not covered by derivative instruments as at March 31, 2021 and March 31, 2020 are given below :

Particulars	Currency	(₹ in millions)			
		March 31, 2021		March 31, 2020	
		Foreign Currency	₹ In Millions	Foreign Currency	₹ in millions
Receivables	USD	9.53	697.12	9.51	719.05
	GBP	0.59	59.66	2.10	196.37
	EUR	0.61	52.67	0.85	70.50
	CHF	0.21	16.39	0.44	34.23
	AUD	0.06	3.26	0.58	26.94
	AED	0.02	0.34	0.06	1.33
	CAD	0.13	7.76	0.03	1.66
	SEK	0.04	0.34	0.05	0.41
Payables	USD	0.43	31.53	0.15	11.44
	EUR	0.05	4.62	-	-
	CHF	0.11	8.18	0.14	11.28
	GBP	0.13	12.75	0.00	0.02
	AUD	-	-	0.00	0.19
	SGD	0.00	0.04	0.00	0.04

b) Sensitivity

The Group is mainly exposed to changes in USD, GBP, CHF, AUD and EUR. The sensitivity analysis demonstrate a reasonably possible change in USD, GBP, CHF, AUD and EUR exchange rates, with all other variables held constant. 5% appreciation/depreciation of USD, GBP, EUR, CHF and AUD with respect to functional currency of the Group will have impact of following (decrease)/increase in Profit & vice versa.

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
USD	33.28	35.38
GBP	2.35	9.82
EUR	2.40	3.53
CHF	0.41	1.15
AUD	0.16	1.34

* Holding all other variables constant

ii) Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. Group policy is to maintain most of its borrowings at fixed rate using interest rate swaps to achieve this when necessary. During March 31, 2021 and March 31, 2020, the Group's borrowings at variable rate were mainly denominated in INR and USD.

The group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

a) Interest rate risk exposure

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Variable rate borrowings	-	477.14
Fixed rate borrowings	-	487.50
Total borrowings	-	964.64

Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

As at the end of the reporting period, the Group had the following variable rate borrowings outstanding:

	March 31, 2021			March 31, 2020		
	Weighted average interest rate %	Balance (₹ In Millions)	% of total loans	Weighted average interest rate %	Balance (₹ In Millions)	% of total loans
Working Capital Demand Loan	-	-	-	4.38%	477.14	49.46%

b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

(₹ in millions)

	Impact on profit after tax	
	March 31, 2021	March 31, 2020
Interest rates – increase by 70 basis points (70 bps) *	-	(3.34)
Interest rates – decrease by 70 basis points (70 bps) *	-	3.34

* Holding all other variables constant

iii) Price risk

a) Exposure

The group's exposure to equity securities price risk arises from investments held by the group and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss.

To manage its price risk arising from investments in equity securities, the group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the group.

The majority of the group's equity investments are publicly traded.

Note 40: Capital management

Risk management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Group capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Group monitors capital using a debt equity ratio and is measured by borrowings divided by total equity. Borrowings include current maturities of non current borrowings.

(₹ in millions)

	March 31, 2021	March 31, 2020
Borrowings	-	964.64
Total equity	7,152.45	7,079.08
Borrowing to equity ratio	-	0.14



Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

Note 41: Segment information

Description of segments and principal activities

Operating segments are components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Group's chief operating decision maker is Vice Chairman and CEO.

The Group organised itself into two business units, which form the operating segments for segment reporting.

The operating segments are :

- IT Services
- Business Process Management (BPM)

(₹ in millions)

Particulars	March 31, 2021			March 31, 2020		
	IT	BPM	Total	IT	BPM	Total
Revenue	5,873.34	5,617.19	11,490.53	7,071.14	4,962.10	12,033.24
Identifiable expenses	5,466.47	4,601.64	10,068.11	6,286.03	4,511.48	10,797.51
Segment results	406.87	1,015.55	1,422.42	785.11	450.62	1,235.73
unallocable expenses			427.25			416.23
Share in profit of JV			4.36			12.03
Exceptional Item			(13.43)			(157.72)
Other income			107.53			205.10
Profit before taxes			1,093.63			878.91
Tax expenses			253.52			261.84
Profit after tax			840.11			617.07

Segment Assets and Liabilities

The assets and liabilities used in the Group's business are not identified with any of the operating segments, as these are used interchangeably between the reportable segments. The management of the Group believes that it is currently not practicable to provide segment disclosures relating to total assets and total liabilities.

Geographic Segment

Revenue attributable to the location of the customers is as follows :

(₹ in millions)

Geographic Location	March 31, 2021	March 31, 2020
USA	6,623.77	6,945.30
Europe	1,858.40	1,912.15
Rest of World	3,008.35	3,175.79
Total	11,490.53	12,033.24

Note 42: Business Combinations

- The Group has entered into a stock redemption agreement to dispose off the entire stake in one of the subsidiaries "Cignex Datamatics Inc" (Cignex). As a result, w.e.f. January 01, 2021, Group's control over Cignex and its subsidiaries has shifted and they have ceased to be a subsidiary and step down subsidiaries. The sales consideration was Rs. 1,145.13 million and the group recorded the profit of Rs. 36.50 million.
- Merger of Datamatics Digital Limited (DDL) with holding company.

The Company had acquired earlier stake in Datamatics Digital Limited (formerly known as Techjini Solutions Private Limited) ("DDL") in various tranches and owned 81.09% stake in DDL as on 1 April 2019. Thereafter, the Company had acquired the balance 18.91% stake on 14 May 2019, thereby making DDL a wholly owned subsidiary of the Company. Thereafter, vide Board Meeting dated 13 November 2019, the Company had approved the amalgamation of DDL with itself through a Scheme of Arrangement u/s 230-232 of the Companies Act, 2013 ("Scheme") with an Appointed Date of 1 June 2019.

Since DDL is a wholly owned subsidiary of the Company, no further shares would be required to be issued by the Company to the shareholders of DDL since the entire share capital of DDL is held by the Company. Further, since this Scheme provides for amalgamation of a wholly owned subsidiary with its 100% holding company, the requirement of obtaining a No Objection Letter from the stock exchanges and SEBI under SEBI Circular dated 10 March 2017 was also not applicable. However, for the purposes of

Notes forming part of the Consolidated Financial Statements (Contd.)

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disclosure, the Company had filed a copy of the board resolution and draft Scheme with the stock exchanges.

Subsequent to the above, the Company had filed an application (C.A. (CAA) No. 3749 of 2019) with the National Company Law Tribunal, Mumbai Bench, ("NCLT") for seeking dispensation for convening meeting of shareholders and the creditors of the Company and DDL and also seeking directions to, inter alia, serve notices to various regulatory authorities viz., the concerned Income-tax Authority, the Regional Director, Western Region, Mumbai, the Registrar of Companies, Mumbai, the Official Liquidator, Mumbai (insofar as DDL is concerned) and SEBI and the stock exchanges (insofar as the Company is concerned). The NCLT was pleased to dispense with the meeting of the shareholders and the creditors of the Company and DDL and also direct the Company and DDL to, inter alia, serve notices as above, vide its order dated 20 February 2020.

DDL was partly acquired by DGSL from an unrelated party in FY 2018-19 and partly in FY 2019-20 such that DDL became a wholly owned subsidiary of DGSL on May 15, 2019 (i.e. prior to the Appointed Date, being 1 June 2019). In line with the earlier intention of DGSL, it was contemplated by DGSL to merge DDL with itself, immediately subsequent to the acquisition of 100% in DDL by DGSL. Therefore, the intermediate step of acquisition of shares along with the subsequent intention to merge DDL with DGSL is considered to be a single business combination. In the context of a composite arrangement of acquisition of shares of DDL from an unrelated party followed by a merger of DDL with DGSL, DGSL has applied "acquisition method" of accounting under Ind AS 103 to account for the said acquisition of DDL by DGSL so as to represent genuine substantive business combination of DDL (previous controlled by unrelated parties) with DGSL.

The NCLT has passed the order of DGSL-DDL merger vide order no. CP (CAA) 970/30-232/MB/2020 dated November 06, 2020. Hence the books of DDL has been merged with DGSL w.e.f. June 1, 2019. Following is the calculation of goodwill arising out of transaction.

The Group and DDL had complied with all the requisite filings as per directions of the National Company Law Tribunal, Mumbai Bench ("NCLT"). The NCLT had approved the merger of DDL with the Group vide order no. CP (CAA) 970/30-232/MB/2020 dated November 06, 2020. In view thereof, since the merger of DDL with DGSL was effective from June 01, 2019 i.e. the appointed date, the accounting effect of the merger was given during the current year w.e.f. the appointed date. Consequently, all relevant figures of the previous year ended March 31, 2020 pertaining to the consolidated financial statements have been restated.

	(₹ in millions)
Particulars	Amount
Property, Plant and Equipments (including Intangible Assets)	8.92
Investments	146.86
Cash and Bank Balance	9.47
Other financial assets	6.75
Loans and advances	18.95
Deferred tax assets	19.66
Other assets	87.90
Trade Payable	(8.80)
Other current liabilities	(4.42)
Provisions	(17.21)
Net Assets	268.08
Less: Investment in Datamatics Digital Limited	(555.11)
Goodwill as per merger	287.03
Goodwill as per Consolidation	369.91
Goodwill derecognised due to merger	82.89

- (iii) The group had record contingent consideration of ₹ 32.55 million with respect to its acquisition of RJ Globus Solutions Inc in earlier years. During the year the transaction was conducted and excess of contingent consideration over amount paid has been adjusted to Goodwill of ₹ 16.76 million as the same was debited at the time of accounting of contingent consideration.



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Note 43: Interests in Joint Venture

a) Interests in joint venture

Set out below is the joint venture of the Group as at March 31, 2021 which, in the opinion of the directors, are material to the Group. The entity listed below have share capital consisting solely of equity shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

(₹ in millions)

Name of entity	Place of business	% of ownership interest	Relationship	Accounting method	Carrying amount	
					March 31, 2021	March 31, 2020
Cybercom Datamatics Information Solutions Limited	India	50.50%	Joint venture	Equity	31.44	77.58

b) Summarised financial information for joint venture

(₹ in millions)

Summarised balance sheet	March 31, 2021	March 31, 2020
Current assets		
Cash and cash equivalents	2.09	8.02
Other assets	25.14	113.78
Total current assets	27.23	121.80
Property, Plant & equipment	37.66	38.55
Other assets	3.74	9.21
Total non-current assets	41.40	47.76
Current liabilities		
Financial liabilities	6.13	11.31
Other liabilities	0.23	0.50
Total current liabilities	6.36	11.81
Non-current liabilities		
Other liabilities	-	4.13
Total non-current liabilities	-	4.13
Net assets	62.27	153.62

Reconciliation to carrying amounts

(₹ in millions)

Particulars	March 31, 2021	March 31, 2020
Opening net assets	153.61	150.99
Profit for the year	8.49	28.45
Other comprehensive income	0.15	(0.25)
Dividends paid including tax	(100.00)	(25.57)
Closing net assets	62.26	153.61
Group's share in %	50.50%	50.50%
Group's share in INR	31.44	77.58
Carrying amount	31.44	77.58

Notes forming part of the Consolidated Financial Statements (Contd.)

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Summarised statement of profit and loss		(₹ in millions)	
Particulars	March 31, 2021	March 31, 2020	
Revenue	44.43	79.96	
Other Income	5.92	6.13	
Depreciation and amortisation	(1.03)	(1.89)	
Finance costs	-	(0.01)	
Other expenses	(40.82)	(51.70)	
Income tax expense	(0.02)	(8.43)	
Profit for the year	8.49	24.07	
Other comprehensive income	0.15	(0.25)	
Total comprehensive income	8.64	23.82	
Less: Relating to earlier year	-	-	
Profit attributable	8.64	23.82	
Group's share in %	50.50%	50.50%	
Group's share in INR	4.36	12.03	

Note 44: Earnings per Share

Particulars	March 31, 2021	March 31, 2020
(a) Net Profit after taxation attributable to equity shareholders (Rs. in Millions)	797.46	637.44
(b) Weighted average number of outstanding equity shares considered for Basic EPS	5,89,49,337	5,89,49,337
(c) Net Profit / (Loss) after taxation attributable to equity shareholders (Rs. in Millions) (Nominal value per share Rs. 5 each)	797.46	637.44
(d) Earnings per share		
Basic earning per share (in Rs.) (a/b)	13.53	10.81
Diluted earning per share (in Rs.) (d/b)	13.53	10.81

Note 45: Related party transactions

A As required under Ind AS 24 – “Related Party Disclosures”, following are details of transactions during the year with the related parties of the Company and its subsidiaries as defined in Ind AS- 24.

The Company and its subsidiaries has entered into transactions in ordinary course of business with related parties at arms length as per details given below:

Transactions and balances with its own subsidiaries are eliminated on consolidation

(i) (A) Joint Venture Company	(C) Relatives of Key Managerial Personnel and
Cybercom Datamatics Information Solutions Limited	Enterprise owned by Key Managerial Personnel
	Mrs. Asha L. Kanodia
(B) Key Managerial Personnel	Mrs. Aneesha Dalmia
Dr. Lalit S. Kanodia, Chairman	Mrs. Priyadarshini Kanodia
Mr. Rahul L. Kanodia, Vice Chairman & CEO	Mrs. Anju S. Kanodia
Mr. Sameer L. Kanodia, Director	Datamatics Business Solutions Limited
Ms. Divya Kumat, Company Secretary	Datamatics Infotech Services Private Limited
Mr. Sandeep Mantri, Chief Financial Officer	
	(D) Holding Company
	Delta Infosolutions Private Limited

Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

Sr. No.	Particulars	(₹ in millions)							
		(i) A		(i) B		(i) C		(i) D	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
(ii)	Details of transactions with the related parties stated in (i) above :								
[A]	Transactions during the year								
i	Revenue from operations	-	-	-	-	6.52	5.81	-	-
	Datamatics Business Solutions Limited	-	-	-	-	6.52	5.81	-	-
ii	Technical Fees	-	-	-	-	2.35	-	-	-
	Datamatics Business Solutions Limited	-	-	-	-	2.35	-	-	-
iii	Expenses incurred by related parties	1.00	0.33	-	-	0.01	0.01	-	-
	Cybercom Datamatics Information Solutions Limited	1.00	0.33	-	-	-	-	-	-
	Datamatics Business Solutions Limited	-	-	-	-	0.01	0.01	-	-
iv	Expenses incurred for related parties	1.56	0.54	-	-	-	-	-	-
	Cybercom Datamatics Information Solutions Limited	1.56	0.54	-	-	-	-	-	-
	Datamatics Infotech Services Private Limited	-	-	-	-	-	-	-	-
v	Legal and professional fees	-	-	-	-	0.23	0.43	-	-
	Datamatics Business Solutions Limited	-	-	-	-	0.23	0.43	-	-
vi	Managerial remuneration*	-	-	27.50	34.73	-	-	-	-
	Dr. Lalit S. Kanodia	-	-	906	10.65	-	-	-	-
	Mr. Rahul L. Kanodia	-	-	9.29	13.29	-	-	-	-
	Mr. Sameer L. Kanodia	-	-	9.14	10.79	-	-	-	-
vii	Salaries and allowances*	-	-	17.37	15.51	5.36	5.09	-	-
	Mrs. Priyadarshini R. Kanodia	-	-	-	-	3.41	3.30	-	-
	Mrs. Anju S. Kanodia	-	-	-	-	1.95	1.79	-	-
	Ms. Divya Kumat	-	-	9.40	8.32	-	-	-	-
	Mr. Sandeep Mantri	-	-	7.96	7.19	-	-	-	-
viii	Commission	-	-	10.96	9.91	0.27	0.25	-	-
	Dr. Lalit S. Kanodia	-	-	5.48	4.19	-	-	-	-
	Mr. Rahul L. Kanodia	-	-	5.48	4.19	-	-	-	-
	Mr. Sameer L. Kanodia	-	-	-	1.53	-	-	-	-
	Mrs. Asha L. Kanodia	-	-	-	-	0.27	0.25	-	-

Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

Sr. No.	Particulars	(i) A		(i) B		(i) C		(i) D	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
ix	Board sitting fees Mrs. Asha L. Kanodia	-	-	-	-	0.18	0.14	-	-
x	Dividend Paid Dr. Lalit S. Kanodia Mr. Sameer L. Kanodia Mrs. Asha L. Kanodia Mrs. Priyadarshini Kanodia Delta Infosolutions Private Limited	-	-	-	4.95 3.48 1.47	-	4.78	-	31.81
xi	Loans and advances refunded during the year Cybercom Datamatics Information Solutions Limited	1.51	-	-	-	-	-	-	-
xii	Loans and advances given during the year Cybercom Datamatics Information Solutions Limited Datamatics Infotech Services Private Limited	1.15 1.15	3.75 3.75	-	-	-	0.60	-	-

Sr. No.	Particulars	(i) A		(i) B		(i) C		(i) D	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
[B]	Balance as on March 31	1.74	4.30	-	-	-	0.60	-	-
i	Loans and advances receivable Cybercom Datamatics Information Solutions Limited Datamatics Infotech Services Private Limited	1.74	4.30	-	-	-	0.60	-	-
ii	Payables Dr. Lalit S. Kanodia Mr. Rahul L. Kanodia Mr. Sameer L. Kanodia Mrs. Asha Kanodia Datamatics Business Solutions Limited	-	-	10.96 5.48 5.48 1.53	9.91 4.19 4.19	0.44	0.25	-	-
iii	Receivables Datamatics Business Solutions Limited Cybercom Datamatics Information Solutions Limited	0.44	0.97	-	-	1.84	3.43	-	-

* Above figures does not include gratuity, leave encashment, mediclaim and term life insurance as separate actuarial valuation/premium figure are not available.



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Note 46: Leases

Operating leases

The Group's significant leasing arrangements are mainly in respect of residential and office premises. The aggregate lease rentals payable on these leasing arrangements are charged as rent under "Other expenses" in Note 36. These leasing arrangements are for a period not exceeding five years and are in most cases renewable by mutual consent, on mutually agreeable terms.

Rental expense relating to operating leases

	(₹ in millions)	
	March 31, 2021	March 31, 2020
Total rental expense relating to operating leases	94.23	155.70

Note 47: Auditor's Remuneration

	(₹ in millions)	
Particulars	March 31, 2021	March 31, 2020
For services as auditors, including quarterly audits	9.55	10.50
For tax audit	0.36	0.40
For other services	1.19	0.60
Total	11.10	11.50

Note 48: Contingent Liability and Commitments

Provision is made in the financial statements if it becomes probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

	(₹ in millions)	
	March 31, 2021	March 31, 2020
Contingent Liabilities to the extent not provided for:		
(a) Claims against the Group not acknowledged as debt:		
(i) Income Tax matters	17.74	17.74
(b) Details of guarantees outstanding as at:		
(i) Corporate guarantees provided to bank against credit facilities extended to subsidiaries and joint venture	-	48.00
(ii) Guarantees given by banks	469.90	447.72
(c) Capital and other commitments:		
(i) Estimated amount of contracts on capital account remaining to be executed and not provided for (net of advances)	30.06	4.96
(ii) Estimated amount payable under business development agreement to business consultant (USD 0.26 million)	-	19.35

Note 49: Forward contracts in foreign currencies

The Group in accordance with its risk management policies and procedures, enters into foreign currency forward contracts to manage its exposure in foreign exchange rates. The counter party is generally a bank. The foreign exchange forward contracts mature within a period of one month and two years.

The Group uses forward exchange contracts to hedge its exposure in foreign currency on highly probable forecast transactions. The information on derivative instruments is given below. The table below analyzes the derivative financial instruments into relevant maturity groupings based on the remaining period as of the balance sheet date:

	(₹ in millions)	
Particulars	March 31, 2021	March 31, 2020
Not later than one month	103.19	219.58
Later than one month and not later than three months	321.36	437.70
Later than three months and not later than one year	1,541.73	1,828.11
Later than one year	1,088.66	1,603.17
Total	3,054.94	4,088.56

Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

The following are outstanding foreign exchange forward contracts, which have been designated as Cash Flow Hedges, as at:

Foreign Currency	March 31, 2021			March 31, 2020		
	No. of Contracts	Notional amount of Currency Forward contract	Fair Value gain / (loss)	No. of Contracts	Notional amount of Currency Forward contract	Fair Value gain / (loss)
U.S. Dollar	303	27.92	(64.88)	569	40.73	(93.94)
Sterling Pound	100	8.49	23.42	149	9.97	23.08
Total			(41.46)			(70.86)

Net loss on derivative instruments of Rs. 41.46 million (loss in Rs. 70.86 million March 2020) recognised in Hedging Reserve as of March 31, 2021, is expected to be reclassified to the Statement of Profit and Loss by December 31, 2022.

Note 50: Revenue from contract with major customers

No single customer represents 10% or more of the Group's total revenue during the year ended March 31, 2021 and March 31, 2020.

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially satisfied) performance obligations, along with the broad time band for the expected time to recognise those revenues, the Group has applied the practical expedient in Ind AS 115. Accordingly, the Group has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognition corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts. Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of estimates, economic factors (changes in currency rates, tax laws etc).

Changes in contract assets of major customers are as follows:

Particulars	March 31, 2021		March 31, 2020	
Balance at beginning of the year		176.04		44.13
Revenue recognised during the year		260.38		250.23
Invoices raised during the year		182.73		118.32
Balance at the end of the year		253.68		176.04

Note 51: Employee benefits

The disclosure as required by Ind AS 19 on "Employee Benefits" are given below:

The present value of gratuity obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation of leave benefits (unfunded) is also recognised using the projected unit credit method.

I. Defined Contribution Plan	March 31, 2021		March 31, 2020	
Charge to the Statement of Profit and Loss based on contributions:				
Employers contribution to provident fund		199.46		189.35
Employers contribution to other foreign defined contribution plans		83.79		80.33
Employers contribution to employees' state insurance		11.14		12.41
Employers contribution to labour welfare fund and others		0.27		0.28
Included in contribution to provident fund and other funds (Refer Note No.33)		294.66		282.37



Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

II. Defined benefit plan

i) Movement in Present Value of Obligation

(₹ in millions)

Particulars	Gratuity		Leave encashment	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Present Value of Obligation as at the beginning	194.56	163.44	88.53	90.15
Current service cost	28.73	28.87	60.67	34.81
Interest expense or cost	13.24	12.66	6.01	6.96
Re-measurement (or Actuarial) (gain) / loss arising from:				
- change in demographic assumptions	9.41	(0.17)	(31.58)	(0.03)
- change in financial assumptions	11.24	21.89	6.46	8.02
- experience variance (i.e. actual experience vs assumptions)	(14.00)	28.09	27.60	(12.08)
Past Service Cost	-	-	(17.77)	-
Benefits Paid	(20.22)	(40.50)	(25.45)	(25.04)
Acquisition adjustment	-	1.39	-	0.51
Present Value of Obligation as at the end	222.95	215.66	114.47	103.30

ii) Expenses recognised in the income statement and other comprehensive income

(₹ in millions)

Particulars	Gratuity		Leave encashment	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Current service cost	28.73	28.87	47.27	34.81
Past service cost	-	-	(17.77)	-
Net interest cost on the net defined benefit liability	13.13	12.66	4.04	6.97
Actuarial (gains) / losses	-	-	(1.92)	(5.29)
Expenses recognised in Profit & Loss Account	41.85	41.53	31.62	36.49
Other Comprehensive Income -				
Actuarial (gains) / losses				
- Change in demographic assumptions	9.41	(0.17)	0.21	-
- Change in financial assumptions	11.24	21.89	4.19	-
- Experience variance	(14.00)	28.09	0.05	-
Expenses recognised in OCI	6.65	49.81	4.45	-

iii) Financial Assumptions

The principal financial assumptions used in the valuation are shown in the table below

Particulars	Gratuity		Leave encashment	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Discount Rate (per annum)	5.35% - 6.83%	5.40% - 7.60%	5.40% - 7.60%	5.40% - 7.60%
Salary growth rate (per annum)	3.50% - 4.50%	3.50% - 4.50%	3.50% - 4.50%	3.50% - 4.50%
Mortality Rate	IALM 12-14	IALM 12-14	IALM 12-14	IALM 12-14

iv) Sensitivity Analysis

(₹ in millions)

Particulars	Gratuity			
	March 31, 2021		March 31, 2020	
	Decrease	Increase	Decrease	Increase
Discount rate (- / + 0.5%)	162.51	144.40	141.79	126.81
Discount rate (- / + 1%)	-	-	93.60	71.55
Salary growth rate (- / + 0.5%)	144.13	162.70	126.62	141.93
Salary growth rate (- / + 1%)	-	-	71.37	93.25
Attrition rate (1 / + 25%)	154.31	151.47	176.66	175.58
Attrition rate (1 / + 50%)	-	-	40.11	38.77
Mortality rate (- / + 1%)	152.61	152.86	215.29	215.63

Notes forming part of the Consolidated Financial Statements (Contd.)

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(₹ in millions)

Particulars	Leave encashment			
	March 31, 2021		March 31, 2020	
	Decrease	Increase	Decrease	Increase
Discount rate (- / + 1%)	78.92	65.44	113.28	94.92
Salary growth rate (- / + 1%)	65.20	79.06	94.67	113.43
Attrition rate (1 / + 50%)	66.44	74.61	70.31	76.26
Attrition rate (1 / + 25%)	-	-	28.96	29.80
Mortality rate (- / + 10%)	71.19	71.27	103.26	103.33

v) Maturity profile of Defined Benefit obligation

(₹ in millions)

Expected Cash flow over the next (valued on undiscounted basis)	Gratuity		Leave encashment	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	1 Year	35.18	23.84	32.08
2 to 5 years	72.67	41.40	46.37	31.87
6 to 10 years	67.89	69.95	24.06	28.12
More than 10 years	329.08	457.48	121.95	147.82

iii. LDL RSU PLAN 2016

The Limina Datamatics Limited ("subsidiary company") has granted "Restricted Stock Units" under "LDL RSU PLAN 2016" The plan shall extend to Senior Executive employees as identified by the Board/ Nomination and Remuneration Committee, being the permanent employees of the subsidiary company including its step Subsidiaries and its directors. RSU shall vest at the end of 3 years from the date of grant and based upon satisfaction of the performance criteria. The continuation of employee in the services of the subsidiary company shall be the primary requirement of the vesting. Under the LDL RSU PLAN 2016, 432,000 options were granted at exercise price of Rs. 10 per all of the options 216,000 were surrendered.



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Note 52: Additional information, as required to Consolidated Financial Statements to Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures for the year ended March 31, 2021

Particulars	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other comprehensive income (OCI)		Share in Total comprehensive income (TCI)	
	As % of consolidated net assets	₹ in Millions	As % of consolidated profit or loss	₹ in Millions	As % of consolidated OCI	₹ in Millions	As % of consolidated TCI	₹ in Millions
Datamatics Global Services Limited	53%	5,594.18	53%	563.09	49%	28.16	53%	591.25
Subsidiaries								
Indian								
Cignex Datamatics Technologies Limited	0%	-	3%	3706	21%	12.08	4%	4914
Lumina Datamatics Limited	26%	2,772.24	46%	495.91	83%	47.38	48%	543.29
Datamatics Robotics Software Limited	0%	(26.67)	-10%	(108.45)	-1%	(0.37)	-10%	(108.82)
LD Publishing & eRetail Limited	0%	-	0%	0.03	0%	-	0%	0.03
LDR eRetail Limited	0%	24.55	1%	6.50	0%	(0.06)	1%	6.44
Datamatics Staffing Services Limited	0%	8.28	0%	(3.24)	0%	0.18	0%	(3.06)
RJ Globus Solutions Private Limited	0%	0.09	0%	-	0%	-	0%	-
Foreign								
Datamatics Global Services Inc.	5%	508.29	-4%	(40.19)	-31%	(18.03)	-5%	(58.22)
Datamatics Robotics Software Inc.	0%	4.95	0%	0.81	0%	0.01	0%	0.82
Datamatics Infotech Limited	3%	358.04	8%	83.05	39%	22.11	9%	105.16
Datamatics Global Services Pty. Limited	0%	35.55	1%	14.41	7%	4.00	2%	18.41
Datamatics Global Technologies Limited	6%	637.14	8%	81.68	-65%	(37.36)	4%	44.31
Datamatics Global Technologies AG	0%	0.83	0%	0.19	0%	(0.02)	0%	0.17
Techjini Inc	0%	-	0%	-	0%	-	0%	-
RJ Globus Solutions Inc	0%	50.23	5%	50.57	-2%	(1.04)	4%	49.53
RJ Globus Inc	0%	0.66	0%	(0.03)	0%	(0.02)	0%	(0.05)
Cignex Datamatics Corporation	0%	-	0%	(0.08)	0%	-	0%	(0.08)
Cignex Datamatics Inc.	0%	-	9%	93.75	3%	1.74	8%	95.48
Cignex Datamatics Pte. Limited	0%	-	0%	0.54	0%	(0.01)	0%	0.53
Cignex Datamatics UK Limited	0%	-	0%	-	0%	-	0%	-
Cignex Datamatics GmbH	0%	-	0%	(0.54)	0%	0.02	0%	(0.52)
Datamatics Global Services FZ LLC	1%	138.27	1%	13.77	-8%	(4.50)	1%	9.27
Datamatics Global Services BV	0%	2.55	0%	0.57	0%	0.03	0%	0.61
Datamatics Global Services Corp.	0%	11.00	0%	0.59	0%	(0.06)	0%	0.52
Lumina Datamatics Inc.	5%	488.76	-18%	(193.99)	5%	2.67	-17%	(191.32)
Lumina Datamatics GmbH	0%	19.61	0%	0.62	0%	(0.01)	0%	0.61
Lumina Datamatics Assessment and Analytics, LLC	-1%	(98.43)	-3%	(28.98)	1%	0.40	-3%	(28.58)
Total	100%	10,530.09	100%	1,067.65	100%	57.30	100%	1,124.95

Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

Particulars	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other comprehensive income (OCI)		Share in Total comprehensive income (TCI)	
	As % of consolidated net assets	₹ in Millions	As % of consolidated profit or loss	₹ in Millions	As % of consolidated OCI	₹ in Millions	As % of consolidated TCI	₹ in Millions
Adjustments arising out of consolidation		(3,370.70)		(231.91)		155.38		(76.52)
Share of Profit in Joint Venture								
Indian Joint Venture								
Cybercom Datamatics Information Solutions Limited		-		4.36		-		4.36
Non Controlling Interest								
Indian Subsidiaries								
Datamatics Staffing Services Limited		4.06		1.59		0.09		1.68
Datamatics Robotics Software Limited		(11.34)		0.95		0.00		0.96
Foreign Subsidiaries								
Lumina Datamatics Assessment and Analytics, LLC		-		10.14		-		10.14
Datamatics Robotics Software Inc.		0.35		(0.01)		(0.00)		(0.01)
RJ Globus Solutions Inc		-		(6.32)		(0.13)		(6.45)
Cignex Datamatics Corporation		-		(49.01)		15.72		(33.29)
Total		(3,377.64)		(270.19)		171.06		(99.13)
Consolidated Net Assets / Profit after tax / OCI / TCI		7,152.45		797.46		228.36		1,025.82



Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

Additional information, as required to Consolidated Financial Statements to Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures for the year ended March 31, 2020

Particulars	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other comprehensive income (OCI)		Share in Total comprehensive income (TCI)	
	As % of consolidated net assets	₹ in Millions	As % of consolidated profit or loss	₹ in Millions	As % of consolidated OCI	₹ in Millions	As % of consolidated TCI	₹ in Millions
Datamatics Global Services Limited	40%	5,002.93	54%	403.13	-90%	(93.47)	37%	309.66
Subsidiaries								
Indian								
Cignex Datamatics Technologies Limited	3%	376.03	8%	55.58	-26%	(26.99)	3%	28.59
Lumina Datamatics Limited	17%	2,136.97	6%	47.19	-57%	(59.20)	-1%	(12.01)
Datamatics Robotics Software Limited	0%	(52.55)	-7%	(54.22)	-1%	(0.80)	-7%	(55.02)
LD Publishing & eRetail Limited	0%	0.47	0%	-	0%	-	0%	-
LDR eRetail Limited	0%	18.06	0%	1.45	0%	(0.03)	0%	1.42
Datamatics Digital Limited	0%	-	1%	10.85	0%	(0.09)	1%	10.76
Datamatics Staffing Services Limited	0%	11.40	0%	0.80	0%	0.16	0%	0.96
RJ Globus Solutions Private Limited	0%	0.09	0%	(0.00)	-1%	(0.57)	0%	(0.57)
Foreign								
Datamatics Global Services Inc.	4%	538.92	-1%	(8.86)	44%	46.12	4%	37.26
Datamatics Robotics Software Inc.	0%	0.11	0%	0.37	0%	0.00	0%	0.37
Datamatics Infotech Limited	2%	252.88	11%	81.62	9%	9.78	11%	91.40
Datamatics Global Services Pty. Limited	0%	17.09	0%	1.24	-1%	(1.43)	0%	(0.19)
Datamatics Global Technologies Limited	9%	1,104.60	0%	0.05	90%	94.25	11%	94.30
Datamatics Global Technologies AG	0%	0.65	0%	0.03	0%	0.08	0%	0.11
Techjini Inc	0%	27.59	1%	5.56	4%	4.36	1%	9.92
RJ Globus Solutions Inc	0%	0.71	2%	13.05	25%	26.12	5%	39.17
RJ Globus Inc	0%	0.70	0%	(0.02)	0%	(0.09)	0%	(0.11)
Cignex Datamatics Corporation	-1%	(71.28)	0%	-	0%	-	0%	-
Cignex Datamatics Inc.	4%	473.30	20%	147.80	10%	10.90	19%	158.70
Cignex Datamatics Pte. Limited	0%	12.48	0%	1.13	0%	0.06	0%	1.19
Cignex Datamatics GmbH	0%	2.41	0%	0.23	0%	0.03	0%	0.26
Duo Consulting, Inc.	0%	39.74	0%	(1.75)	0%	0.15	0%	(1.60)
Datamatics Global Services FZ LLC	1%	128.95	0%	2.47	6%	6.48	1%	8.95
Datamatics Global Services BV	0%	1.94	0%	(0.13)	0%	0.08	0%	(0.05)
Datamatics Global Services Corp.	0%	25.23	0%	(0.87)	4%	4.40	0%	3.53
Lumina Datamatics Inc.	20%	2,528.12	6%	41.75	26%	27.32	8%	69.07
Lumina Datamatics GmbH	0%	18.41	0%	0.51	15%	15.35	2%	15.86
Lumina Datamatics Assessment and Analytics, LLC	0%	(5.25)	-1%	(8.03)	40%	41.28	4%	33.25
Total	100%	12,590.70	100%	740.94	100%	104.25	100%	845.18

Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

Particulars	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other comprehensive income (OCI)		Share in Total comprehensive income (TCI)	
	As % of consolidated net assets	₹ in Millions	As % of consolidated profit or loss	₹ in Millions	As % of consolidated OCI	₹ in Millions	As % of consolidated TCI	₹ in Millions
Adjustments arising out of consolidation		(5,731.78)		(135.89)		(88.81)		(224.70)
Share of Profit in Joint Venture								
Indian Joint Venture								
Cybercom Datamatics Information Solutions Limited		-		12.03		-		12.03
Non Controlling Interest								
Indian Subsidiaries								
Datamatics Staffing Services Limited		5.59		(0.39)		0.08		(0.31)
Foreign Subsidiaries								
Lumina Datamatics Assessment and Analytics, LLC		(25.05)		2.81		-		2.81
RJ Globus Solutions Inc		0.19		(1.63)		3.18		1.55
Cignex Datamatics Corporation		248.30		(34.81)		(17.75)		(52.56)
Duo Consulting, Inc.		(8.87)		54.38		-		54.38
Total		(5,511.62)		(103.50)		(103.30)		(206.79)
Consolidated Net Assets / Profit after tax / OCI / TCI		7,079.08		637.44		0.95		638.39



Notes forming part of the Consolidated Financial Statements (Contd.)

as at March 31, 2021

Note 53: Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Note 54: Impact of COVID - 19 Pandemic

The group has assessed the possible effects that may result from the COVID-19 pandemic on the carrying amounts of receivables, unbilled revenues, goodwill, intangibles, investments and other assets / liabilities. Based on the current indicators of economic conditions, the group expects to recover the carrying amount of all its assets. The actual impact of the COVID-19 pandemic may be different from that estimated as at the date of approval of these consolidated financial statements and the group will continue to closely monitor any material changes to the economic conditions in the future.

Note 55: Previous year's figures

Previous year figures have been appropriately regrouped/reclassified and rearranged wherever necessary to conform to the current year's presentation. Figures in the bracket indicates previous year figures.

As per our attached report of even date
For **M L BHUWANIA AND CO LLP**
Chartered Accountants
FRN: 101484W/W100197

Ashishkumar Bairagra
Partner
Membership No. 109931

Place : Mumbai
Dated : May 26, 2021

For and on Behalf of the Board

Dr. Lalit S. Kanodia
Chairman
DIN 00008050

Rahul L. Kanodia
Vice Chairman & CEO
DIN 00075801

R. K. Saraswat
Director
DIN 00015095

Divya Kumat
EVP, Chief Legal Officer & Company Secretary

Sandeep Mantri
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To,

The Members of DATAMATICS GLOBAL SERVICES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **DATAMATICS GLOBAL SERVICES LIMITED** ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2021, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity, the Standalone Statement of Cash Flows for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information ("the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone 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 Responsibility 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 (ICAI) 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 audit opinion on the standalone financial statements.

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 as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
<p>A. Revenue recognition in respect of fixed price contract</p> <p>The Company inter alia engages in fixed price contracts, wherein revenue is recognized using the percentage of completion method based on the company's estimate of contract cost. We identified revenue recognition of fixed price contract as a Key Audit Matter since:</p> <ul style="list-style-type: none"> accuracy and existence of revenues and onerous obligations, in respect of fixed price contracts, involves critical estimates. these estimates have high inherent uncertainty as it requires determination of the progress of the contract, costs incurred till date and future costs required to complete the remaining contract and performance obligations. estimate of costs is a critical estimate to determine the revenues and liability for a contract and these contracts may involve onerous obligations which require critical assessment of future costs. at the year-end significant amount of unbilled revenue is recognized on the balance sheet date. 	<p>Our audit procedures included discussion with the management to obtain an understanding of the systems, processes and controls implemented by the Company for recording and computing the costs, revenue and other estimates associated with such contracts. Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> we evaluated the design of internal controls relating to recording of costs incurred and estimate of costs required to complete the performance obligations. we tested the access and application controls pertaining to time recording, allocation and budgeting systems which prevents unauthorised changes to recording of costs incurred. we selected a sample of contracts and tested the operating effectiveness of the internal controls relating to costs incurred and estimate of costs, through the inspection of performance of these controls. we selected a sample of contracts and performed a retrospective review of costs incurred with estimate of costs to identify significant variations and verify whether those variations have been considered in estimating the future costs required to complete the contract.

**Key Audit Matter****B. Transactions with Related Parties**

The company has material related party transactions during the year. Related party transactions impose limitations on the auditor's ability to obtain audit evidence that all other aspects of related party transactions (other than price) are equivalent to those of a similar arm's length transaction. Further the nature and complexity of such transactions and the involvement of management with respect to the roles and responsibilities of the entities involved in the transactions, makes it subjective.

- we reviewed a sample of contracts with unbilled revenue to identify possible delays in achieving milestones, which require change in estimated costs to complete the remaining performance obligations.
- we performed analytical procedures and test of details for reasonableness of incurred and estimated costs.

Auditor's Response

Our audit procedures on transactions with related parties included the following:

- we obtained a comfort letter issued by the independent professional who is in charge of Transfer Pricing matters of the Company which states that the transactions are conducted at arm's length price.
- we also reviewed the income tax assessments of earlier years to corroborate whether the methodology adopted by the Company has been accepted by the income tax authorities in previous years.
- we also compared the pricing model and other terms of the current agreements with agreements of the previous years.

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 Company's Annual Report, but does not include the standalone financial statements and our Auditors' Report thereon. Our opinion on the standalone financial statements does not cover the other information and we do 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 and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Accounting Standards specified under Section 133 of the Act ("Ind AS"). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the

Act for safeguarding 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, 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 management and Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility 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:

- 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.
- Obtain an understanding of internal financial 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.
- 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.

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.

Emphasis of Matter

1. Attention is drawn to Note No. 42 to the standalone financial statements; the Company has an investment of Rs. 646.52 million in two wholly owned subsidiaries and has also extended loans and advances of Rs. 0.05 million to these subsidiaries as on March 31, 2021. The total net worth of these subsidiaries as on March 31, 2021 is Rs. 509.11 million which is lower than the amount of investment. The investment is for long term and of strategic nature. As the management is confident of turning around these subsidiaries in the near future hence, no provision for diminution in the value of investment has been considered necessary by the management.

Our opinion is not modified in respect of this matter.

2. We draw attention to note 51 of the standalone financial statements, regarding the approval of Scheme of Amalgamation between the Company and its wholly owned subsidiary company, Datamatics Digital Limited, by the National Company Law Tribunal ("NCLT"), vide NCLT's order dated November 6, 2020, with appointed date of June 1, 2019. A certified copy of the order sanctioning the Scheme has been filed by the Company with the Registrar of the Companies, Mumbai, on December 7, 2020 Accordingly, the audited standalone financial statements for the year ended March 31, 2020, have been restated by the Company after recognising the effect of the merger from the appointed date as stated in the aforesaid note.

Our opinion is not modified in respect of this matter

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 sub-section (11) of Section 143 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, 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 relating to preparation of the aforesaid standalone financial statements have been kept by the Company so far as it appears from our examination of those books.

- (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flow 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 Accounting Standards 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 March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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".
- (g) 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 as amended, 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 on its financial position in its standalone financial statements – Refer Note No.

44 to the standalone financial statements;

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

(h) 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 according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

For M L BHUWANIA AND CO LLP

Chartered Accountants
FRN: 101484W/W100197

Ashishkumar Bairagra

Partner
Membership No. 109931
UDIN: 21109931AAAABU4097

Place: Mumbai
Date: May 26, 2021

ANNEXURE A

TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report on the standalone financial statements of the company for the year ended March 31, 2021, we report the following:

- i. (a) The Company is generally maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. Pursuant to the program, certain fixed assets were physically verified during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in property, plant and equipment, are held in the name of the Company. In respect of immovable properties, taken on lease and disclosed as right-of-use-assets in the standalone financial statements, the lease agreements are in the name of the Company.
- ii. According to the information and explanations provided to us, the Company's nature of operations does not require it to hold inventories. Consequently, clause 3(ii) of the order is not applicable.
- iii. According to the information and explanations given to us, the Company has not granted any secured loans to companies, firms, or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. In respect of unsecured loans to companies covered in the Register maintained under Section 189 of the Companies Act, 2013, having regard to the Amendment agreements where entered into during the year:
 - (a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
 - (b) There are no stipulations with respect to the repayment of the loan and the interest thereon.
 - (c) There is no overdue amount remaining outstanding as at the balance sheet date.
- iv. In our opinion and according to information and explanations provided to us the Company has complied with provisions of sections 186 of the Companies Act, 2013 in respect of investments made. Section 185 of the Companies Act, 2013 is not applicable as there were no loans, securities and guarantees given during the year.
- v. According to the information and explanations provided to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified, and therefore clause 3(v) of the order is not applicable.
- vi. The Central Government has not prescribed maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013, for any of the products of the company.
- vii. (a) According to the information and explanations provided to us and on the basis of our examination of the records, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, custom duty, excise duty, value added tax, cess, goods and services tax and any other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at March 31, 2021 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records, there are no dues of sales tax, service tax, custom duty, excise duty, value added tax, cess and goods and services tax, which have not been deposited on account of any dispute. The disputed amounts that have not been deposited in respect of income tax are as under:

Name of the Statute	Nature of the dues	Financial Year to which it relates	Forum where the dispute is pending	₹ in millions
Income Tax Act, 1961	Income Tax dues	2011-12	Income Tax Appellate Tribunal	17.49
- viii. In our opinion and according to information and explanations provided to us, the Company has not defaulted in repayment of dues to banks during the year. The company has not taken any loans or borrowings from government, financial institution, and has not issued debentures during the year.
- ix. In our opinion and according to information and explanations provided to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and through term loans during the year. Accordingly, clause 3(ix) of the order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations provided to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations provided to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. According to the information and explanations provided to us, the nature of the activities of the Company does not attract any special statute applicable to Nidhi Company. Accordingly, clause 3(xii) of the order is not applicable to the company.



- xiii. According to the information and explanations provided to us, and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and Section 188 of the Act, where applicable, and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations provided to us, and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(xiv) of the order is not applicable to the Company.
- xv. According to the information and explanations given to us, and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable to the Company.

- xvi. According to information and explanations provided to us, the Company is not required to be registered under Sec 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) of the Order is not applicable to the Company.

For M L BHUWANIA AND CO LLP

Chartered Accountants
FRN: 101484W/W100197

Ashishkumar Bairagra

Partner
Membership No. 109931
UDIN: 21109931AAAABU4097

Place: Mumbai
Date: May 26, 2021

ANNEXURE B

TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report on the standalone financial statements of the company for the year ended March 31, 2021.

Opinion

We have audited the internal financial controls over financial reporting of DATAMATICS GLOBAL SERVICES LIMITED ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, to the best of our knowledge and according to the information and explanations provided 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 March 31, 2021, based on the criteria for internal financial control over financial reporting 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 issued by the Institute of Chartered Accountants of India.

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 on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). 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 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (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, 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 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 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 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 financial statements.

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 M L BHUWANIA AND CO LLP

Chartered Accountants
FRN: 101484W/W100197

Ashishkumar Bairagra

Partner
Membership No. 109931
UDIN: 21109931AAAABU4097

Place: Mumbai
Date: May 26, 2021



Standalone Balance Sheet

as at March 31, 2021

Particulars	Note	(₹ in millions)	
		March 31, 2021	March 31, 2020
ASSETS			
Non-current assets			
Property, Plant and Equipment	2	922.57	910.34
Capital work-in-progress	2	-	4.09
Goodwill	3	287.02	386.25
Other intangible assets	3	17.03	54.47
Right-to-use assets	3	34.67	12.92
Financial assets			
i. Investments	4	2,263.66	2,022.82
ii. Loans	5	0.27	0.55
iii. Other financial assets	6	55.38	66.93
Deferred tax assets (Net)	7	130.35	248.93
Non-current tax assets	8	92.56	138.04
Other non-current assets	9	5.99	4.00
Total non-current assets		3,809.50	3,849.34
Current assets			
Financial assets			
i. Investments	10	879.60	111.49
ii. Trade receivables	11	948.49	1,250.87
iii. Cash and cash equivalents	12	169.00	426.60
iv. Bank balances other than (iii) above	13	134.31	39.07
v. Loans	14	18.80	148.27
vi. Other financial assets	15	647.85	509.25
Current tax assets	16	75.32	48.26
Other current assets	17	102.00	99.97
Total current assets		2,975.37	2,633.78
Total Assets		6,784.87	6,483.12
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18(a)	294.75	294.75
Other equity	18(b)	5,299.43	4,708.19
Total equity		5,594.18	5,002.94
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Lease Liabilities	19	15.67	-
ii. Other financial liabilities	20	5.74	33.80
Provisions	21	176.08	162.75
Total non-current liabilities		197.49	196.55
Current liabilities			
Financial liabilities			
i. Borrowings	22	-	487.50
ii. Trade payables	23		
Dues of Micro and small enterprises		7.88	5.62
Dues other than Micro and small enterprises		645.59	503.42
iii. Other financial liabilities	24	35.46	28.91
iv. Lease liabilities	25	19.78	15.66
Provisions	26	38.62	35.04
Other current liabilities	27	245.87	207.48
Total current liabilities		993.20	1,283.63
Total liabilities		1,190.69	1,480.18
Total Equity and Liabilities		6,784.87	6,483.12

The accompanying notes forming an integral part of the standalone financial statements

As per our attached report of even date
For **M L BHUWANIA AND CO LLP**
Chartered Accountants
FRN: 101484W/W100197

Ashishkumar Bairagra
Partner
Membership No. 109931

Place : Mumbai
Dated : May 26, 2021

For and on Behalf of the Board

Dr. Lalit S. Kanodia
Chairman
DIN 00008050

Rahul L. Kanodia
Vice Chairman & CEO
DIN 00075801

R. K. Saraswat
Director
DIN 00015095

Divya Kumat
EVP, Chief Legal Officer & Company Secretary

Sandeep Mantri
Chief Financial Officer

Standalone Statement of Profit and Loss

for the year ended March 31, 2021

Particulars	Note	₹ in millions	
		March 31, 2021	March 31, 2020
Revenue from Operations	28	4,576.63	4,698.17
Other Income	29	108.60	155.78
Total income		4,685.23	4,853.95
Expenses			
Purchase of IT Products and Licenses	30	18.78	99.73
Employee Benefit Expenses	31	3,171.93	3,026.80
Finance Costs	32	29.29	24.35
Depreciation and Amortisation Expenses	33	132.46	133.02
Other Expenses	34	896.47	1,018.67
Total expenses		4,248.93	4,302.57
Profit before exceptional items and tax		436.30	551.38
Exceptional items	35	328.69	-
Profit before tax		764.99	551.38
Tax expense			
- Current tax	7(a)	90.68	106.24
- Deferred tax	7(a)	111.21	42.01
Total tax expense		201.89	148.25
Profit for the year		563.10	403.13

Statement of other comprehensive income (OCI) for the year ended March 31, 2021

Particulars	Note	₹ in millions	
		March 31, 2021	March 31, 2020
Items that will be reclassified to profit or loss			
Deferred gains/ losses on cash flow hedge		15.25	(87.12)
Tax relating to above		(3.84)	29.14
		11.41	(57.98)
Items that will not be reclassified to profit or loss			
Actuarial gains and losses		10.99	(36.88)
Changes in fair value of FVOCI instruments		9.30	(7.17)
Tax relating to above		(3.54)	8.56
		16.75	(35.49)
OCI for the year		28.16	(93.47)
Total comprehensive income for the year		591.26	309.66
Earnings per Equity Share (of Rs. 5 each)			
Basic and Diluted	43	9.55	6.84

The accompanying notes forming an integral part of the standalone financial statements

As per our attached report of even date
For **M L BHUWANIA AND CO LLP**
Chartered Accountants
FRN: 101484W/W100197

Ashishkumar Bairagra
Partner
Membership No. 109931

Place : Mumbai
Dated : May 26, 2021

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R. K. Saraswat
Director
DIN 00015095

Divya Kumat
EVP, Chief Legal Officer & Company Secretary

Sandeep Mantri
Chief Financial Officer



Statement of changes in equity

for the year ended March 31, 2021

A. Equity share capital		(INR in millions)	
Particulars			
As at March 31, 2019			294.75
Changes in equity share capital			-
As at March 31, 2020			294.75
Changes in equity share capital			-
As at March 31, 2021			294.75

B. Other equity		(₹ in millions)	
	Reserves and surplus		Total other equity
	Securities premium	Retained earnings	
As at March 31, 2019	1,080.08	1,989.55	4,470.84
Profit for the year	-	403.13	403.13
Adjustment for IND AS 116	-	(3.45)	(3.45)
Other comprehensive income	-	-	(93.47)
Dividends paid (including taxes)	-	(68.87)	(68.87)
As at March 31, 2020	1,080.08	2,320.36	4,708.19
Profit for the year	-	563.09	563.09
Other comprehensive income	-	-	28.16
As at March 31, 2021	1,080.08	2,883.46	5,299.43

	Other comprehensive income			Total other equity
	Equity investments	Actuarial gains and losses	Cash flow hedging reserve	
As at March 31, 2019	4.29	(8.11)	48.02	4,470.84
Profit for the year	-	-	-	403.13
Adjustment for IND AS 116	-	-	-	(3.45)
Other comprehensive income	(9.03)	(26.46)	(57.98)	(93.47)
Dividends paid (including taxes)	-	-	-	(68.87)
As at March 31, 2020	(4.74)	(34.58)	(996)	4,708.19
Profit for the year	-	-	-	563.09
Other comprehensive income	8.52	8.22	11.41	28.16
As at March 31, 2021	3.78	(26.35)	1.45	5,299.43

The accompanying notes forming an integral part of the standalone financial statements

As per our attached report of even date
For **M L BHUWANIA AND CO LLP**
Chartered Accountants
FRN: 101484W/W100197

Ashishkumar Bairagra
Partner
Membership No. 109931

Place : Mumbai
Dated : May 26, 2021

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DIN 00075801

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Director
DIN 00015095

Divya Kumat
EVP, Chief Legal Officer & Company Secretary

Sandeep Mantri
Chief Financial Officer

Standalone Cash flow statement

for the year ended March 31, 2021

	(₹ in millions)	
	March 31, 2021	March 31, 2020
A. Cash flow from operating activities		
Profit before tax	764.99	551.38
Adjustments for :		
Depreciation and amortisation expense	108.22	111.46
Provision for doubtful debts	8.33	32.62
Provision for doubtful deposits	3.00	-
Impairment of Goodwill	99.24	-
Sundry balance written off / (back) (net)	(6.34)	2.55
Lease Rent Ind AS 116 impact	(1.97)	(1.88)
Unrealised foreign exchange (gain) / loss	4.33	(16.21)
(Profit) / loss on sale fixed assets (net)	(0.64)	(0.45)
Interest expense	22.15	17.82
Unrealised gain on fair value of financial assets	8.49	(8.80)
Realised gain on fair value of financial assets	(306.39)	-
Exchange gain on sale of investment	(121.54)	-
Profit on sale of investments	(16.03)	(16.84)
Dividend income	(51.17)	(13.98)
Interest income	(15.34)	(11.00)
Operating profit before working capital changes	499.33	646.67
Adjustments for :		
(Increase) / decrease in trade receivables	283.39	(255.20)
(Increase) / decrease in loans	0.45	(129.26)
(Increase) / decrease in other financial and non-financial assets	(245.76)	(66.55)
Increase / (decrease) in trade payables	160.38	100.64
Increase / (decrease) in other financial and non-financial liabilities	72.42	110.81
Cash generated from operations	770.21	407.11
Direct taxes paid (net)	(72.26)	(158.29)
Net cash flow from operating activities (A)	697.95	248.82
B. Cash flow from investing activities		
Purchase of fixed assets / capital work-in-progress	(78.94)	(71.17)
Sale of fixed assets	0.64	1.22
Investment in subsidiaries/ acquisition of subsidiary	(343.00)	(109.11)
Redemption of preference shares of subsidiaries	677.45	-
(Purchase) / Sale of investments (net)	(763.93)	115.95
Dividend received from others	0.67	3.27
Dividend received from joint venture	50.50	10.71
Interest received	11.40	1.52
Net cash flow used in investing activities (B)	(445.21)	(47.61)
C. Cash flow from financing activities		
Proceeds / (Repayment) from / of short-term borrowings	(487.50)	225.00
Dividends paid (including taxes)	-	(68.87)
Interest paid	(22.84)	(17.13)
Net cash flow used in financing activities (C)	(510.34)	139.00
Net cash flow during the year (A+B+C)	(257.60)	340.21
Cash and cash equivalents at the beginning of the year	426.60	65.33
Add: Datamatics Digital Limited opening balance	-	21.06
Net cash and cash equivalents at the end of the year	169.00	426.60

- Cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.
- Previous year figures have been regrouped and rearranged wherever considered necessary to make them comparable with those of the current year.

As per our attached report of even date
For **M L BHUWANIA AND CO LLP**
Chartered Accountants
FRN: 101484W/W100197

Ashishkumar Bairagra
Partner
Membership No. 109931

Place : Mumbai
Dated : May 26, 2021

For and on Behalf of the Board

Dr. Lalit S. Kanodia
Chairman
DIN 00008050

Rahul L. Kanodia
Vice Chairman & CEO
DIN 00075801

R. K. Saraswat
Director
DIN 00015095

Divya Kumat
EVP, Chief Legal Officer & Company Secretary

Sandeep Mantri
Chief Financial Officer



Notes Forming part of the Standalone Financial Statements

as at March 31, 2021

Note 1: General Information

Datamatics Global Services Limited (DGSL) having CIN L72200MH1987PLC045205 was incorporated on November 3, 1987 as Interface Software Resources Private Limited. The name of the Company was changed to Datamatics Technologies Private Limited on December 18, 1992. On December 27, 1999, the Company converted itself from a Private Limited Company into a Public Limited Company and the name of the Company was changed to Datamatics Technologies Limited on January 13, 2000. The name of the Company was changed from "Datamatics Technologies Limited" to "Datamatics Global Services Limited" (DGSL) with effect from January 17, 2009. The Company is incorporated in Maharashtra, India and is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India.

DGSL, a trusted partner to several Fortune 500 Companies is a global provider of Information Technology (IT), Business Process Management (BPM) and Consulting services. The Company provides business aligned next-generation solutions to a wide range of industry verticals that help enterprises across the world overcome their business challenges and achieve operational efficiencies. These solutions leverage innovations in technology, knowledge of business processes and domain expertise to provide clients a competitive edge.

Note 2: Significant Accounting Policies

a) Basis of Preparation of Financial Statements:

i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (IndAS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements were approved by the Company's Board of Directors and authorised for issue on May 26, 2021.

ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- * certain financial assets and liabilities (including derivative instruments) which is measured at fair value;
- * defined benefit plans – plan assets measured at fair value

iii) Measurement of fair values

A number of Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has established policies and procedure with respect to measurement of fair values. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, mutual funds and forward contracts that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is

valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration.

b) Use of Estimates

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

c) Foreign currency translation

i) Functional and presentation currency

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

ii) Transactions and balances

Transactions in foreign currency are recorded at the rates of exchange prevailing at the date of the transactions.

Monetary items denominated in foreign currencies at the balance sheet date are translated at the exchange rates prevailing at the balance sheet date. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Any income or expense on account of exchange difference either on settlement or on translation at the balance sheet date is recognised in the Statement of Profit and Loss in the year in which it arises.

d) Revenue recognition

Revenue from services is recognised based on time and material and billed to the clients as per the terms of the contract.

Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract cost incurred determining the degrees of completion of the performance obligation.

Notes forming part of the Standalone Financial Statements (Contd.)

as at March 31, 2021

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 from subsidiaries is recognised based on transaction price of services which is at arm's length.

Cost and earnings in excess of billings are classified as unbilled revenue while billings in excess of cost and earnings are classified as unearned revenue. Discount is recognised on cash basis in accordance with the contractual term of the agreement with the customers.

e) Income tax

Tax expense comprise of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act.

Current income taxes

The current tax expense include income tax expense payable by the company in India. Advance taxes and provision for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in same tax jurisdictions.

Deferred tax

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

In the situations where Company is entitled to a tax holiday under the Income Tax Act, 1961 enacted in India, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the Company restricts recognition of deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

At each balance sheet date unrecognized deferred tax assets are re-assessed. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the Guidance Note on Accounting for credit available in respect of Minimum Alternate Tax under the Income Tax Act, 1961.

Dividend distribution tax paid on the dividends is recognised consistently with the presentation of the transaction that creates the income tax consequence. Dividend distribution tax is recognised in equity.

f) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

g) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less from date of purchase to be cash equivalents.

h) Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

i) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

j) Investments and other financial assets

i) Classification

The company classifies its financial assets in the following

Notes Forming part of the Standalone Financial Statements

as at March 31, 2021

measurement categories:

- * those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- * those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The company reclassifies debt investments when and only when its business model for managing those assets changes.

ii) Measurement

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

- * Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- * Impairment of investment in subsidiary: The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently, when there is indication for impairment. If the recoverable amount is less than carrying amount, the impairment loss is accounted for.
- * Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal

and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

- * Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The company subsequently measures all equity investments at fair value (except investment in subsidiaries and joint venture which are at amortised cost). Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

iii) Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 37 details how the company determines whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iv) Derecognition of financial assets

A financial asset is derecognised only when

- * The company has transferred the rights to receive cash flows from the financial asset or
- * retains the contractual rights to receive the cash flows of

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the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

v) Income recognition

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.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

k) Derivatives and hedging activities

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. Such forward contracts are utilised against the inflow of funds under firm commitments. The Company does not use the forward contract for speculative purposes. The Company designates these hedging instruments as cash flow hedge. The use of hedging instruments is governed by the Company's policies approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the Company's risk management strategy.

Hedging instruments are initially measured at fair value and are remeasured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised in other comprehensive income and the ineffective portion is recognised immediately in the Statement of Profit and Loss.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the Statement of Profit and Loss as they arise.

The fair value of derivative financial instruments is determined based on observable market inputs including currency spot and forward rates, yield curves, currency volatility etc.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised or no longer qualifies for hedge accounting. At that time for forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in Other comprehensive income is retained until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in other comprehensive income is transferred to the Statement of Profit and Loss for the year.

l) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

m) Property, Plant and Equipment

Property, Plant and Equipment are valued at cost, except for certain Property, Plant and Equipment which have been stated at revalued amounts as determined by approved independent valuer, after reducing accumulated depreciation until the date of the balance sheet. Direct costs are capitalised until the assets are ready to use and include financing costs relating to any specific borrowing attributable to the acquisition of fixed assets. Capital work-in-progress includes assets not put to use before the year end.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is provided on the Straight Line Method except for leasehold land, leasehold premises and freehold land as per the useful life and in the manner prescribed in Schedule II to Companies Act, 2013. Leasehold Premises is amortized on the Straight Line Method over the period of 30 years and Leasehold Land is amortized on the Straight Line Method over the period of 75 years.

n) Intangible assets

i) Goodwill

Goodwill on merger of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business



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combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

ii) Trademarks, copyrights and other rights

Separately acquired Trademarks and copyrights are shown at historical cost. Trademarks, copyrights and non-compete acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

iii) Computer software

The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

iv) Other intangible assets

Other intangible assets that do not meet the criteria in (i) to (iii) above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

v) Amortisation methods and periods

The company amortises intangible assets with a finite useful life using the straight-line method as following :

Particulars	Useful Life
Computer Software	3 years
Non-Compete Fees	5 years
Copy Rights	3 years
Trade Mark	3 years
Other Intangible assets	3 years

o) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as

transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

q) Borrowing costs

Borrowing costs, which are directly attributable to the acquisition, construction or production of a qualifying assets are capitalised as a part of the cost of the assets. Other borrowing costs are recognised as expenses in the year in which they are incurred.

r) Provision, Contingent Liabilities and Contingent Assets

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect current best estimates.

Contingent assets are neither recognised nor disclosed.

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s) Employee benefits

i) Defined Contribution Plan

Contribution to defined contribution plans are recognised as expense in the Statement of Profit and Loss, as they are incurred.

ii) Defined Benefit Plan

Company's liabilities towards gratuity and leave encashment are determined using the projected unit credit method with actuarial valuation being carried out as at Balance Sheet date. Actuarial gains / losses are recognised immediately in the Statement of Profit and Loss. Long-term compensated absences are provided for based on actuarial valuation.

iii) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

t) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

u) Earnings per share

In determining Earnings per Share, the Company considers the net profit attributable to company's owners. The number of shares used in computing basic Earnings per Share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted Earnings per Share comprises the weighted average shares considered for deriving basic Earnings per Share and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares.

v) Recent Indian Accounting Standards (Ind AS)

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

-Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

-Specified format for disclosure of shareholding of promoters.

-Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

-If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

-Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

-Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of consolidated financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

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Note 2 - Property, plant and equipment

Particulars	(₹ in millions)												
	Land	Leasehold Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Air Conditioners	Electrical Fittings	Leasehold Improvements	Total	Capital work-in-progress
Carrying cost As at March 31, 2019	302.85	270.30	181.46	4.57	61.27	19.48	12.26	119.66	23.56	32.04	81.41	1,108.86	8.95
Additions	-	-	8.74	-	1.85	7.52	2.44	31.62	3.92	0.31	-	56.40	3.33
Business Combination	-	-	-	-	1.11	0.57	3.48	21.32	-	-	-	26.48	-
Transfer	-	-	-	-	0.01	-	(0.01)	(0.00)	-	-	-	(0.00)	-
Disposals	-	-	(0.02)	(0.15)	-	(1.48)	(0.12)	(0.16)	-	-	-	(1.93)	(8.20)
Carrying cost As at March 31, 2020	302.85	270.30	190.18	4.43	64.24	26.08	18.04	172.44	27.48	32.35	81.41	1,189.80	4.09
Additions	-	-	0.67	-	1.09	6.65	0.90	70.33	0.28	-	1.40	81.32	-
Disposals\other adjustments	-	-	(0.57)	-	-	-	(0.11)	(0.85)	-	-	-	(1.53)	(4.09)
Carrying cost As at March 31, 2021	302.85	270.30	190.28	4.43	65.32	32.73	18.83	241.92	27.77	32.35	82.81	1,269.58	-

Particulars	(₹ in millions)												
	Land	Leasehold Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Air Conditioners	Electrical Fittings	Leasehold Improvements	Total	Capital work-in-progress
Accumulated depreciation As at March 31, 2019	-	14.04	13.58	2.00	27.56	8.84	7.02	82.89	17.45	17.12	11.35	201.85	-
Depreciation charge during the year	-	4.61	3.85	0.51	6.49	2.72	1.31	26.17	2.93	5.64	4.46	58.68	-
Business Combination	-	-	-	-	0.81	0.51	2.61	16.76	-	-	-	20.68	-
Transfer	-	-	-	-	-	-	0.01	(0.60)	-	-	-	(0.59)	-
Disposals	-	-	-	(0.07)	-	(0.97)	(0.00)	(0.12)	-	-	-	(1.16)	-
Accumulated depreciation As at March 31, 2020	-	18.65	17.43	2.44	34.85	11.11	10.95	125.09	20.37	22.76	15.81	279.47	-
Depreciation charge during the year	-	4.61	3.95	0.43	6.73	3.16	1.60	34.53	2.98	5.49	4.93	68.40	-
Disposals	-	-	-	-	-	-	-	(0.85)	-	-	-	(0.85)	-
Accumulated depreciation As at March 31, 2021	-	23.26	21.38	2.87	41.58	14.27	12.55	158.77	23.36	28.24	20.73	347.01	-
Net carrying amount as at March 31, 2021	302.85	247.03	168.90	1.56	23.75	18.47	6.28	83.14	4.41	4.11	62.07	922.57	-
Net carrying amount as at March 31, 2020	302.85	251.65	172.75	1.99	29.38	14.97	7.09	47.35	7.11	9.59	65.60	910.34	4.09

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Note 3 - Intangible assets, Goodwill and Right-to-use assets

(₹ in millions)

Particulars	Other Intangibles	Computer Softwares	Non-Compete Fees	Copy Rights	Trade Mark	Total	Goodwill	Right to Use Assets
Carrying cost As at March 31, 2019	52.81	129.98	29.66	8.35	0.93	221.73	99.24	-
Additions	0.81	18.10	-	-	0.73	19.64	-	34.49
Business Combination (Refer Note No 51)	-	6.58	-	-	-	6.58	287.01	-
Transfer	-	0.00	-	-	-	0.00	-	-
Disposals	-	-	-	-	-	-	-	-
Carrying cost As at March 31, 2020	53.62	154.66	29.66	8.35	1.66	247.95	386.25	34.49
Additions	-	2.38	-	-	-	2.38	-	45.99
Disposals	-	-	-	-	-	-	-	-
Impairment during the year	-	-	-	-	-	-	(99.24)	-
Carrying cost As at March 31, 2021	53.62	157.04	29.66	8.35	1.66	250.33	287.02	80.48

(₹ in millions)

Particulars	Other Intangibles	Computer Softwares	Non-Compete Fees	Copy Rights	Trade Mark	Total	Goodwill	Right to Use Assets
Accumulated amortisation and impairment As at March 31, 2019	17.59	90.65	22.13	6.16	0.13	136.66	-	-
Amortisation charge during the year	17.59	26.05	6.72	1.88	0.53	52.77	-	21.57
Business Combination	-	3.45	-	-	-	3.45	-	-
Transfer	-	0.59	-	-	-	0.59	-	-
Disposals	-	-	-	-	-	-	-	-
Accumulated amortisation and impairment As at March 31, 2020	35.18	120.74	28.85	8.04	0.66	193.48	-	21.57
Amortisation charge during the year	17.82	20.33	0.81	0.31	0.55	39.82	-	24.24
Disposals	-	-	-	-	-	-	-	-
Accumulated amortisation and impairment As at March 31, 2021	53.00	141.07	29.66	8.35	1.22	233.30	-	45.81
Net carrying amount as at March 31, 2021	0.62	15.97	-	-	0.44	17.03	287.02	34.67
Net carrying amount as at March 31, 2020	18.44	33.92	0.81	0.31	0.99	54.47	386.25	12.92



Notes Forming part of the Standalone Financial Statements

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Note 4 - Investments (Non-current)

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Investment in equity instruments (fully paid-up)		
Quoted (FVOCI)		
18,234 (P.Y. 18,234) fully paid Equity Shares of Rs. 2 each of Wipro Limited	7.55	3.58
5,000 (P.Y. 5,000) fully paid Equity Shares of Rs. 1 each of Vikas WSP Limited	0.03	0.02
800 (P.Y. 800) fully paid Equity Shares of Rs. 5 each of Mahindra and Mahindra Limited	0.64	0.23
8,998 (P.Y. 8,998) fully paid Equity Shares of Rs. 10 each of Coal India Limited	1.17	1.26
38,767 (P.Y. 38,767) fully paid Equity Shares of Rs. 10 each of Powergrid Corporation	8.36	6.16
5,000 (P.Y. 5,000) fully paid Equity Shares of Rs. 2 each of Axis Bank Limited	3.49	1.90
1,800 (P.Y. 1,800) fully paid Equity Shares of Rs. 2 each of Larsen and Toubro Limited	2.55	1.45
Nil (P.Y. 900) fully paid Equity Shares of Rs. 10 each of Cybertech Limited	-	0.03
35,200 (P.Y. 35,200) fully paid Equity Shares of Rs. 10 each of Global Offshore Services Limited	0.22	0.09
11,000 (P.Y. Nil) fully paid Equity Shares of Rs. 10 each of Indian Bank Limited	1.28	-
3,000 (P.Y. Nil) fully paid Equity Shares of Rs. 1 each of SBI Bank	1.09	-
130 (P.Y. Nil) fully paid Equity Shares of Rs. 1 each of HDFC Bank Limited	0.19	-
5,716 (P.Y. Nil) fully paid Equity Shares of Rs. 10 each of SBI Card and Payment Services Limited	5.31	-
2,392 (P.Y. Nil) fully paid Equity Shares of Rs. 10 each of Tata Communications Limited	2.54	-
6,192 (P.Y. Nil) fully paid Equity Shares of Rs. 2 each of Crompton Greaves Consumer Electrical Limited	2.43	-
958 (P.Y. Nil) fully paid Equity Shares of Rs. 10 each of Endurance Technologies Limited	1.39	-
25,057 (P.Y. Nil) fully paid Equity Shares of Rs. 10 each of IDFC Limited	1.19	-
179 (P.Y. Nil) fully paid Equity Shares of Rs. 10 each of Schaeffler India Limited	0.97	-
3,531 (P.Y. Nil) fully paid Equity Shares of Rs. 2 each of Birlasoft Limited	0.89	-
810 (P.Y. Nil) fully paid Equity Shares of Rs. 10 each of SBI Life Insurance Company Limited	0.71	-
6,826 (P.Y. Nil) fully paid Equity Shares of Rs. 10 each of Equitas Holdings Limited	0.60	-
603 (P.Y. Nil) fully paid Equity Shares of Rs. 2 each of Max Financial Services Limited	0.52	-
2,404 (P.Y. Nil) fully paid Equity Shares of Rs. 1 each of City Union Bank Limited	0.37	-
1,056 (P.Y. Nil) fully paid Equity Shares of Rs. 2 each of Sterlite Technologies Limited	0.21	-
Investment in equity instruments (fully paid-up)		
In subsidiaries - Wholly Owned - Unquoted (at cost)		
1,000 (P.Y. 1,000) no par value common stock in Datamatics Global Services Inc.	644.26	644.04
20,000 (P.Y. 20,000) equity shares of Datamatics Infotech Limited of GBP 1 each	1.71	1.71
50,000 (P.Y. 50,000) equity shares of Datamatics Global Technologies AG of CHF 1 each	2.26	2.26
1,000,000 (P.Y. 1,000,000) equity shares of Datamatics Global Technologies Limited of USD 1 each	46.05	46.05
50,000 (P.Y. 50,000) equity shares of Datamatics Global Services Pty Limited of AUD 1 each	1.56	1.56
10,778,655 (10,028,655) equity shares of Lumina Datamatics Limited of Rs. 10 each	1,078.60	907.60
50 (P.Y. 50) equity shares of Datamatics Global Services FZ - LLC of AED 1,000 each	0.86	0.86
Nil (P.Y. 50,000) equity shares of LD Publishing & eRetail Limited of Rs. 10 each	-	0.50
Nil (P.Y. 40,000) Equity shares of USD 0.1 each of M/s. TechJini Inc.	-	0.22
In subsidiary - Unquoted (at cost)		
51,000 (P.Y. 51,000) equity shares of Datamatics Staffing Services Limited of Rs. 10 each	74.46	74.46
In Joint venture - Others- Unquoted (at cost)		
428,400 (P.Y. 428,400) fully paid equity shares of Cybercom Datamatics Information Solutions Limited of Rs. 10 each	794	794

Notes forming part of the Standalone Financial Statements (Contd.)

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Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Investment in preference shares		
Unquoted (at FVTPL)		
In subsidiaries - Wholly Owned		
5,350,000 (P.Y. 12,350,000) fully paid Series II & III 8% Non Cumulative Redeemable Preference shares of Datamatics Global Technologies Limited of USD 1 each	78.63	166.35
Nil (P.Y. 27,670,856) 9% Redeemable Preference Shares of Lumina Datamatics Limited of Rs. 10 each	-	154.56
In stepdown subsidiary		
13,470,000 (P.Y. Nil) fully paid 10% Non cumulative Redeemable Preference Shares of Datamatics Robotics Software Limited of Rs. 10 each	111.62	-
Investment in perpetual non- cumulative non- convertible debentures		
In stepdown subsidiary (at Cost)		
13,200,000 (P.Y. Nil) fully paid 10% Unsecured Perpetual Non- Cumulative Non- Convertible Debentures of Datamatics Robotics Software Limited of Rs. 10 each	172.00	-
Total	2,263.66	2,022.82
Aggregate amount of quoted investments	43.70	14.72
Aggregate amount of unquoted investments	2,219.96	2,008.10
Aggregate market value of quoted investments	43.70	14.72

Note 5 - Loans (non-current)

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
(Unsecured, considered Good, unless specified otherwise)		
Others -		
Loan to employees	0.27	0.55
Total	0.27	0.55

Note 6 - Other financial assets (non-current)

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Security deposits	59.70	61.81
Less: Provision for doubtful deposits	9.17	6.17
Net security deposits	50.53	55.64
Fair value of outstanding forward contracts (FVOCI)	4.85	2.73
Fair value of outstanding corporate guarantees (FVTPL)	-	8.56
Total	55.38	66.93



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Note 7 - Deferred Tax Assets

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Deferred Tax Assets	130.35	248.93
Total	130.35	248.93

7(a) - Income tax expense

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Current tax		
Current tax on profits for the year	93.62	103.31
Adjustments for current tax of prior periods	(2.94)	2.93
Total current tax expense	90.68	106.24
Deferred tax		
Decrease/(increase) in deferred tax assets	110.39	42.01
Adjustments for deferred tax of prior periods	0.81	-
Total deferred tax expense/(benefit)	111.21	42.01
Income tax expense	201.89	148.25

7(b) - Reconciliation of tax expense and accounting profit multiplied by statutory tax rates

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Profit for the year	764.99	551.38
Statutory tax rate applicable	25.17%	25.17%
Tax expense at applicable tax rate	192.53	138.77
Effects of:		
Income taxed at higher/ (lower) rates	0.03	(1.58)
Amounts which are not deductible (taxable)	(18.06)	(0.25)
Tax holiday & exempt income	-	(3.37)
Adjustments for tax of prior periods	(2.13)	4.29
Basis difference that will reverse during tax holiday period	-	-
Taxable due to change in tax base	29.51	(10.36)
Change in Tax Rate	-	19.89
Other	-	0.88
Income tax expense	201.89	148.25

Notes forming part of the Standalone Financial Statements (Contd.)

as at March 31, 2021

7(c) - Deferred tax (Net)

(₹ in millions)

Particulars	March 31, 2020	Recognized in P&L	Recognized in OCI	March 31, 2021
Deferred Tax Assets				
Employee benefits	47.06	7.02	(2.77)	51.32
Provision for doubtful debts	28.48	(8.97)	-	19.51
Investment In subsidiaries	188.00	(111.22)	-	76.78
Others	22.66	(22.44)	-	0.22
Total Deferred Tax Assets	286.20	(135.61)	(2.77)	147.83
Deferred Tax Liabilities				
Depreciation	41.00	(26.27)		14.74
Unrealised gain on securities carried at fair value through profit or loss / other comprehensive income	(0.38)	1.86	0.77	2.25
Cash flow hedging	(3.35)	-	3.84	0.49
Total Deferred Tax Liabilities	37.27	(24.40)	4.61	17.48
Net Deferred Tax	248.93	(111.21)	(7.38)	130.35

(₹ in millions)

Particulars	March 31, 2019	Recognized due to Merger	Recognized in Retained earnings	Recognized in P&L	Recognized in OCI/Equity	March 31, 2020
Deferred Tax Assets						
Employee benefits	46.72	4.33	-	(12.18)	8.19	47.06
Provision for doubtful debts	35.08	13.54	-	(20.14)	-	28.48
Investment In subsidiaries	188.07	-	-	(0.07)	-	188.00
MAT credit	4.86	-	-	(4.86)	-	-
Others	20.25	1.27	1.16	(0.02)	-	22.66
Total Deferred Tax Assets	294.98	19.14	1.16	(37.27)	8.19	286.20
Deferred Tax Liabilities						
Depreciation	32.37	(0.52)	-	9.15	-	41.00
Unrealised gain on securities carried at fair value through profit or loss / other comprehensive income	4.40	-	-	(4.41)	(0.37)	(0.38)
Cash flow hedging	25.79	-	-	-	(29.14)	(3.35)
Total Deferred Tax Liabilities	62.56	(0.52)	-	4.74	(29.51)	37.27
Net Deferred Tax	232.42	19.66	1.16	(42.01)	37.70	248.93

* A new section 115BAA was inserted in the IT Act 1961 by the Govt of India on September 20, 2019 wide the Taxation Laws (Amendment) Ordinance 2019, which provides the option to pay income-tax at reduce rate in accordance with the provision/conditions defined in the said section. Accordingly the company had exercised and recognised the income tax on the basis of that section and remeasured the current tax and deferred tax during the previous year.

Note 8 - Non-current Tax Assets

(₹ in millions)

Particulars	March 31, 2021	March 31, 2020
Advance Tax & TDS (net of provision)	92.56	138.04
Total	92.56	138.04

Note 9 - Other non-current assets

(₹ in millions)

Particulars	March 31, 2021	March 31, 2020
Prepaid expenses	5.94	3.95
Balance with govt authorities	0.05	0.05
Total	5.99	4.00



Notes Forming part of the Standalone Financial Statements

as at March 31, 2021

Note 10 - Investments (current)

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Investment in mutual funds		
Quoted (at FVTPL)		
5,815 (P.Y. Nil) units of Kotak Money Market Fund	20.16	-
79,218 (P.Y. Nil) units of Aditya Birla SL Money Manager Fund -Growth	22.57	-
8,17,663 (P.Y. Nil) units of Aditya Birla SL Liquid Fund - Growth	269.26	-
35,251 (P.Y. Nil) units of ICICI Money Market Fund	10.33	-
18,729 (P.Y. Nil) units of HDFC Money Market Fund	82.76	-
3,22,791 (P.Y. Nil) units of ABSL Saving Fund	136.45	-
74,21,214 (P.Y. Nil) units of ICICI Ultra Short Term Fund	160.05	-
1,89,229 (P.Y. Nil) units of ABSL Floating Rate Fund - Reg - Growth	50.30	-
1,09,049 (P.Y. Nil) units of ICICI Prudential Liquid Fund - Direct Plan - Growth	33.23	-
3,482 (P.Y. Nil) units of Kotak Liquid - Direct Plan- Growth	14.48	-
Nil (P.Y. 11,411) units of Kotak Overnight Fund - Growth	-	12.16
Nil (P.Y. 3) units of Motilal Oswal Home Finance Limited	-	3.19
Nil (P.Y. 13,485) units of ICICI Prudential Liquid Fund - Growth	-	3.94
Nil (P.Y. 88,285) units of Franklin India Overnight Fund - Growth Option	-	92.20
Investment in fixed deposits		
Unquoted (at Cost)		
Corporate Fixed Deposits	80.00	-
Total	879.60	111.49
Aggregate amount of quoted investments	799.60	111.49
Aggregate amount of unquoted investments	80.00	-
Aggregate market value of quoted investments	799.60	111.49

Note 11 - Trade receivables

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Unsecured		
Considered Good	975.71	1,335.23
Less :- Allowance for expected credit loss (Refer Note No. 37)	27.22	84.36
	948.49	1,250.87
Credit impaired		
Less :- Allowance for expected credit loss (Refer Note No. 37)	38.63	20.14
	38.63	20.14
	-	-
Total	948.49	1,250.87

Trade receivable includes receivable from related parties (Refer Note No. 39).

Note 12 - Cash and cash equivalents

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Balances with bank		
- in Current Acocunt	85.84	142.81
- in Deposit Acocunt	80.00	278.60
Cash on hand	3.16	5.19
Total	169.00	426.60

Notes forming part of the Standalone Financial Statements (Contd.)

as at March 31, 2021

Note 13 - Other bank balances

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Margin money deposits*	37.79	37.30
Fixed Deposit	95.00	-
Unpaid dividend account**	1.52	1.77
Total	134.31	39.07

* Of the above Rs. 37.79 million (As at March 31, 2020: Rs. 37.30 million) are marked as lien for guarantees issued by banks on behalf of the Company.

** The Company can utilise balances only towards settlement of the unpaid dividend.

Note 14 - Loans (current)

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
(Unsecured, Considered Good, unless specified otherwise)		
To Related Party-		
Loan to Subsidiaries (Refer Note No. 39)*	18.00	147.30
Others-		
Loan to employees	0.80	0.97
Total	18.80	148.27

* The loan is given to step down subsidiary, Datamatics Robotics Software Limited and subsidiary, Datamatics Staffing Services Limited, for meeting working capital needs. The loan is repayable on demand. Rate of interest is 8.70% and 8.40% respectively.

Note 15 - Other financial assets(current)

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Security deposits	3.60	7.30
Less: Allowance for doubtful deposit	(2.50)	(2.50)
	1.10	4.80
Advances to related parties (Refer Note No. 39)	13.49	40.55
Others-		
Interest accrued	8.07	9.53
Fair Value of Outstanding Forward Contracts (FVOCI)	20.61	27.00
Unbilled Revenue	599.32	427.37
Derivatives financial assets	5.26	-
Total	647.85	509.25

Note 16 - Current Tax Assets

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Advance Tax & TDS (net of provision)	75.32	48.26
Total	75.32	48.26

Note 17 - Other current assets

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Advance to Vendors	27.64	43.42
Advance to staff	0.87	6.15
Balance with govt authorities	21.93	12.64
Prepaid expenses	49.79	30.77
Other assets	1.77	6.99
Total	102.00	99.97



Notes Forming part of the Standalone Financial Statements

as at March 31, 2021

Note 18 - Share capital and other equity

18(a) - Equity share capital

(i) Authorised share capital of face value of ₹ 5/- each

Particulars	Number of shares	(₹in millions)
As at March 31, 2019	104,000,000	520.00
Increase during the year*	1,200,000	6.00
As at March 31, 2020	105,200,000	526.00
Increase during the year	-	-
As at March 31, 2021	105,200,000	526.00

*Pursuant to scheme of merger of the DDL with the company (Refer Note No. 42 (ii))

Authorised redeemable preference share capital of face value of ₹ 10/- each

Particulars	Number of shares	(₹in millions)
As at March 31, 2019	45,550,000	455.50
Increase during the year	-	-
As at March 31, 2020	45,550,000	455.50
Increase during the year	-	-
As at March 31, 2021	45,550,000	455.50

Issued, Subscribed and Paid-up equity share capital of face value of ₹ 5/- each

Particulars	Number of shares	(₹in millions)
As at March 31, 2019	58,949,337	294.75
Increase during the year	-	-
As at March 31, 2020	58,949,337	294.75
Increase during the year	-	-
As at March 31, 2021	58,949,337	294.75

Issued, Subscribed and Paid-up equity share capital of face value of ₹ 5/- each

(ii) Movements in equity share capital

Particulars	Number of shares	(₹in millions)
As at March 31, 2019	58,949,337	294.75
Other movements	-	-
As at March 31, 2020	58,949,337	294.75
Other movements	-	-
As at March 31, 2021	58,949,337	294.75

(iii) Shares of the company held by holding company

(₹in millions)

Particulars	March 31, 2021	March 31, 2020
32,098,742 (32,098,742) Equity shares of ₹ 5/- held by Delta Infosolutions Private Limited	165.00	165.00

(iv) Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2021		March 31, 2020	
	Number of shares	% Holding	Number of shares	% Holding
Delta Infosolutions Private Limited	32,098,742	54.45%	32,098,742	54.45%
Lalit Surajmal Kanodia	47,88,265	8.12%	36,15,384	6.13%
Asha Lalit Kanodia	3,305,258	5.61%	3,305,258	5.61%

Notes forming part of the Standalone Financial Statements (Contd.)

as at March 31, 2021

(iv) Terms / rights attached to equity shares

The Company, at present, has one class of equity shares having a par value of Rs. 5 per share. Each shareholder is eligible for one vote per share held. The voting rights on Unclaimed Suspense Account shares are frozen till the rightful owner of such shares claims the shares. The Company declares and pays dividend in Indian Rupees. The remittance of dividends outside India is governed by Indian law on foreign exchange and is subject to applicable distribution taxes. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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 preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

18(b) Other equity*		(₹ in millions)	
Particulars		March 31, 2021	March 31, 2020
Securities premium reserve	Refer Note (i) below	1,080.08	1,080.08
Retained earnings		2,883.46	2,320.36
General reserve	Refer Note (ii) below	1,077.14	1,077.14
Capital reserve	Refer Note (iii) below	35.60	35.60
Capital redemption reserve	Refer Note (iv) below	244.28	244.28
OCI -			
Equity investments	Refer Note (v) below	3.78	(4.74)
Actuarial gains and losses		(26.35)	(34.58)
Cash flow hedging reserve	Refer Note (vi) below	1.45	(9.96)
Total		5,299.43	4,708.19

* For movement of reserves, refer statement of changes in equity.

Nature of reserves

(i) Securities Premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

(ii) General Reserve

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to statement of profit and loss.

(iii) Capital Reserve

Capital reserve created on the merger of one of the subsidiaries with the company.

(iv) Capital Redemption Reserve

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve.

(v) OCI - Equity investments

The company recognises unrealised and realised gain on equity shares in FVOCI - Equity investments.

(vi) OCI - Cash Flow Hedging Reserve

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve. Such gains or losses will be reclassified to statement of profit and loss in the period in which the hedged transaction occurs.



Notes Forming part of the Standalone Financial Statements

as at March 31, 2021

Note 19 - Lease liabilities (non- current)

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Lease Liabilities	15.67	-
Total	15.67	-

Note 20 - Other financial liabilities (non-current)

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Creditor for capital expenditure	0.61	0.52
Fair value of outstanding forward contracts (FVOCI)	5.13	24.71
Fair value of outstanding corporate guarantees (FVTPL)	-	8.56
Total	5.74	33.80

Note 21 - Provisions (Non-current)

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Unfunded (Refer Note No. 40)		
Provisions for employee benefits		
Gratuity	125.82	120.36
Leave Encashment	50.26	42.39
Total	176.08	162.75

Note 22 - Current borrowings

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
From Banks*	-	400.00
From Others**	-	87.50
Total	-	487.50

Notes-

*Working capital loan from Citibank N.A. is secured by way of first pari passu charge on hypothecation of stock, book debts and movable property, plant and equipments of the Company, both, past and present.

Tenure - 180 Days

Rate of interest - 10.5%

**Term loan from Citicorp Finance (India) Limited is secured by way of creation of mortgage and exclusive charge in favour of company in respect of its Immovable properties being all the piece and parcel of the land bearing Plot No. 58 in MIDC at Mumbai and 2nd Floor and 3rd Floor in Suyojit Commercial Complex, at Nashik.

Term - 3 years

Repayment terms - 8 Equated Quarterly Instalments of principal (together with interest) after 15 months from the date of first draw down. Loan shall always be repayable on demand at the sole discretion of the company hence considered as current borrowings.

Note 23 - Trade payables

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Dues of Micro and small enterprises	7.88	5.62
Dues other than Micro and small enterprises	645.59	503.42
Total	653.47	509.04

Notes forming part of the Standalone Financial Statements (Contd.)

as at March 31, 2021

Micro, Small and Medium enterprises have been identified by the Company on the basis of the information available. Total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are given below :

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
(a) Dues remaining unpaid		
- Principal	-	-
- Interest on above	-	-
(b) Interest paid in terms of Section 16 of MSMED Act		
- Principal paid beyond the appointed date	-	-
- Interest paid in terms of Section 16 of MSMED Act	-	0.01
(c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	-	-
(d) Amount of interest accrued and unpaid	-	-

Note 24 - Other financial liabilities (current)

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Interest accrued but not due	-	0.69
Advance from related parties	7.10	-
Fair value of outstanding forward contracts (FVOCI)	18.38	18.31
Deposits received	1.70	1.56
Unclaimed Dividend*	1.52	1.77
Other payables	6.76	6.58
Total	35.46	28.91

* Dividend Rs. 0.23 million (Rs. 0.17 million) unclaimed for a period of more than seven years has been transferred to Investor's Education and Protection Fund during the year. Further, there are no amounts due and outstanding to be credited to Investor's Education and Protection Fund as at March 31, 2021.

Note 25 - Lease liabilities (current)

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Lease Liabilities	19.78	15.66
Total	19.78	15.66

Note 26 - Provisions (current)

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Unfunded (Refer Note No. 40)		
Provisions for employee benefits		
Gratuity	19.22	20.63
Leave Encashment	19.40	14.41
Total	38.62	35.04

Note 27 - Other current liabilities

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Statutory dues (net)	56.96	90.46
Advance from customers	146.42	77.69
Unearned Revenue	42.49	39.33
Total	245.87	207.48



Notes Forming part of the Standalone Financial Statements

as at March 31, 2021

Note 28 - Revenue from operations

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Sale of Product	21.79	115.11
Sale of Services	4,554.84	4,583.06
Total	4,576.63	4,698.17

Note 29 - Other income

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Interest from Bank	5.64	2.81
Interest from loan to subsidiary	2.62	8.13
Interest on Income tax refund	6.62	-
Interest Others	0.46	0.06
Dividend on share investment	0.67	3.27
Dividend from joint venture	50.50	10.71
Profit on sale of investments other than carried at FVOCI	16.03	16.84
Guarantee fees received	0.60	0.96
Profit on sale of assets (Net)	0.64	0.45
Unrealised gain on fair value of financial assets	(8.49)	8.80
Exchange gain (Net)	19.54	87.55
Incentive under SEIS Scheme	-	13.62
Miscellaneous receipts	13.77	2.58
Total	108.60	155.78

Note 30 - Purchase of IT Products and Licenses

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Purchase of IT Products and Licenses	18.78	99.73
Total	18.78	99.73

Note 31 - Employee benefit expenses

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Salary, Wages & Allowances	2,995.26	2,805.52
Contribution towards Provident & Other funds	146.46	143.67
Staff Welfare expenses	30.21	77.61
Total	3,171.93	3,026.80

Note 32 - Finance costs

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Interest on loan from banks	22.15	17.82
Interest on lease liabilities	1.41	2.40
Other finance charges	5.73	4.13
Total	29.29	24.35

Note 33 - Depreciation and Amortisation Expenses

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Depreciation on property plant and equipment	68.40	58.68
Depreciation on Leased Assets	24.24	21.57
Amortisation on intangible assets	39.82	52.77
Total	132.46	133.02

Notes forming part of the Standalone Financial Statements (Contd.)

as at March 31, 2021

Note 34 - Other expenses

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
IT Infrastructure & Development Cost	163.81	109.50
Technical fees	241.10	194.32
Outsourcing cost	4.08	7.83
Travelling expenses	21.79	143.94
Recruitment charges	23.78	30.09
Rent (Refer Note No. 41)	20.38	57.62
Electricity expenses	49.45	75.54
Communication charges	20.19	16.91
Rates & Taxes	11.98	15.50
Water charges	0.76	2.57
Legal & Professional expenses	60.33	59.89
Auditor's Remuneration (Refer Note No. 47)	3.86	4.20
Link Charges	23.56	21.63
Vendor charges	42.57	46.57
Insurance	7.16	7.78
Vehicle expenses	2.50	5.78
Repairs & Maintenance expenses	34.69	35.86
Software Maintenance expenses	50.40	37.87
Hire charges	26.93	17.18
Printing & Stationery	1.40	4.89
Subscription expenses	12.83	14.93
Entertainment Expenses	0.29	3.36
Bank Charges	2.77	5.73
Board Sitting Fees	1.20	0.79
Sales Promotion	23.61	17.36
Security Charges	16.81	16.11
Computer Peripherals	3.90	5.64
Bad Debts Written off	46.98	74.69
Less: Allowance for doubtful debts written back	(39.41)	(74.69)
Allowance for doubtful Debts	0.76	30.13
Allowance for doubtful deposit	3.00	2.50
CSR Expenditure	9.96	16.80
Miscellaneous expenses	3.04	9.86
Total	896.47	1,018.67

Note 35 - Exceptional items

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Realised gain on fair value of financial assets	306.39	-
Impairment of goodwill	(99.24)	-
Exchange gain on sale of financial assets	121.54	-
Total	328.69	-

Note:

- The company recorded the realised gain on fair value of financial assets of Rs. 293.19 million and Rs. 13.20 million relating to redemption of preference shares of Datamatics Global Technologies Limited and Lumina Datamatics Limited respectively, subsidiaries.
- The company performed the impairment assessment of Vista, a business segment of the company, and basis that goodwill amounting to Rs. 99.24 million was impaired.
- The company recorded the exchange gain of Rs. 121.54 million relating to the redemption of preference share of Datamatics Global Technologies Limited, a subsidiary.



Notes Forming part of the Standalone Financial Statements

as at March 31, 2021

Note 36: Fair value measurements

(₹ in millions)

Financial instruments by category	March 31, 2021			March 31, 2020		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Mutual funds	879.60	-	-	111.49	-	-
- Equity instruments	-	43.70	-	-	14.72	-
- Preference shares	190.25	-	-	320.91	-	-
Trade receivables	-	-	948.49	-	-	1,250.87
Cash and cash equivalents	-	-	169.00	-	-	426.60
Bank balances other than Cash and cash equivalents	-	-	134.31	-	-	39.07
Security deposit	-	-	51.63	-	-	60.44
Fair value of outstanding forward contracts	-	25.46	-	-	29.73	-
Fair value of outstanding corporate guarantees	-	-	-	8.56	-	-
Loan to Employees & Subsidiaries	-	-	19.07	-	-	148.82
Unbilled Revenue	-	-	599.32	-	-	427.37
Other receivables	-	-	26.83	-	-	50.07
Total financial assets	1,069.85	69.16	1,948.65	440.96	44.45	2,403.24
Financial liabilities						
Borrowings	-	-	-	-	-	487.50
Trade payables	-	-	653.47	-	-	509.04
Fair value of outstanding corporate guarantees	-	-	-	8.56	-	-
Fair Value of Outstanding Forward Contracts	-	23.51	-	-	43.02	-
Lease liabilities	-	-	35.45	-	-	15.66
Other payables	-	-	17.69	-	-	11.13
Total financial liabilities	-	23.51	706.61	8.56	43.02	1,023.33

i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ in millions)

Financial assets and liabilities measured at fair value At 31 March 2021	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVPL				
Mutual funds	879.60	-	-	879.60
Preference shares	-	-	190.25	190.25
Financial Investments at FVOCI				
Fair value of outstanding forward contracts	25.46	-	-	25.46
Equity instruments	43.70	-	-	43.70
Total financial assets	948.76	-	190.25	1,139.01
Financial Liabilities				
Fair Value of Outstanding Forward Contracts	23.51	-	-	23.51
Total financial liabilities	23.51	-	-	23.51

Notes forming part of the Standalone Financial Statements (Contd.)

as at March 31, 2021

	(₹ in millions)			
Financial assets and liabilities measured at fair value At 31 March 2020	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVPL				
Mutual funds	111.49	-	-	111.49
Preference shares	-	-	320.91	320.91
Fair value of outstanding corporate guarantees	-	-	8.56	8.56
Financial Investments at FVOCI				
Fair value of outstanding forward contracts	29.73	-	-	29.73
Equity instruments	14.72	-	-	14.72
Total financial assets	155.94	-	329.47	485.41
Financial Liabilities				
Fair value of outstanding corporate guarantees	-	-	8.56	8.56
Fair Value of Outstanding Forward Contracts	43.02	-	-	43.02
Total financial liabilities	43.02	-	8.56	51.58

There are no transfers between levels 1 and 2 during the year.

Reconciliation of Level 3 fair value measurement is as follows:

	(₹ in millions)
Particulars	Amount
Balance as on March 31, 2019	183.68
Change in the value	137.23
Balance as on March 31, 2020	320.91
Change in the value	(130.66)
Balance as on March 31, 2021	190.25

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

* the use of quoted market prices or dealer quotes for similar instruments

All of the resulting fair value estimates are included in level 3 except for unlisted equity securities, contingent consideration and indemnification asset, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

iii) Valuation processes

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Notes Forming part of the Standalone Financial Statements

as at March 31, 2021

Note 37: Financial risk management

The company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and financial assets	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and Trade payable	Maturity analysis, cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Import Payables and Receivables on Indenting services	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts
Market risk – security prices	Investments in equity securities	Sensitivity analysis	Portfolio diversification

The Board provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk, liquidity risk, and Foreign Exchange Risk effecting business operations. The company's risk management is carried out by the management as per guidelines and policies approved by the Board of Directors.

A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses the direct risk of default, risk of deterioration of creditworthiness as well as concentration risks. The Company is exposed to credit risk from its operating activities (primarily trade receivables), deposits with banks and loans given.

Credit risk management

The company's credit risk mainly from trade receivables as these are typically unsecured. This credit risk has always been managed through credit approvals, establishing credit limits and continuous monitoring the creditworthiness of customers to whom credit is extended in the normal course of business. The Company estimates the expected credit loss based on past data, available information on public domain and experience. Expected credit losses of financial assets receivable are estimated based on historical data of the Company. The company has provisioning policy for expected credit losses. There is no credit risk in bank deposits which are demand deposits. The credit risk is minimum in case of entity / person to whom loan has been given.

The maximum exposure to credit risk as at March 31, 2021 and March 31, 2020 is the carrying value of such trade receivables as shown in note 11 of the financials.

Reconciliation of loss allowance provision – Trade receivables

Particulars	(₹ in millions)
Loss allowance on 31 March 2019	149.06
Changes in loss allowance	(44.56)
Loss allowance on 31 March 2020	104.50
Changes in loss allowance	(38.65)
Loss allowance on 31 March 2021	65.85

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Notes forming part of the Standalone Financial Statements (Contd.)

as at March 31, 2021

C) Market risk

i) Foreign currency risk

The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EUR and GBP. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

The company's risk management policy is to hedge around 50% to 70% of forecasted receivables for the subsequent 18 months. As per the risk management policy, foreign exchange forward contracts are taken to hedge round 50% to 70% of the forecasted receivables.

a) Foreign currency risk exposure:

Details of foreign currency exposures not covered by derivative instruments as at March 31, 2021 and March 31, 2020 are given below :

Particulars	Currency	(₹ in millions)			
		March 31, 2021		March 31, 2020	
		Foreign Currency	(₹ in millions)	Foreign Currency	(₹ in millions)
Receivables	USD	7.47	545.99	7.19	543.65
	GBP	1.58	158.85	3.19	298.78
	EUR	0.40	34.61	0.55	45.70
	CHF	0.21	16.44	0.44	34.23
	AUD	0.04	2.49	0.59	27.25
	AED	0.02	0.34	0.06	1.33
	CAD	0.13	7.76	0.03	1.66
Payables	SEK	0.04	0.34	0.05	0.41
	USD	3.36	245.44	2.83	213.66
	EUR	0.05	4.62	-	-
	AUD	-	-	0.00	0.18
	CHF	0.15	11.82	0.16	12.33
	GBP	0.13	12.85	0.00	0.02
	SGD	0.00	0.04	0.00	0.04

b) Sensitivity

The Company is mainly exposed to changes in USD, GBP, CHF, AUD and Euro. The sensitivity analysis demonstrate a reasonably possible change in USD, GBP, CHF, AUD and Euro exchange rates, with all other variables held constant. 5% appreciation/depreciation of USD, GBP, CHF, AUD and Euro with respect to functional currency of the company will have impact of following (decrease)/increase in Profit & vice versa.

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
USD	15.03	16.50
GBP	7.30	14.94
EUR	1.50	2.29
CHF	0.23	1.09
AUD	0.12	1.35

* Holding all other variables constant

ii) Cash flow and fair value interest rate risk

The company's main interest rate risk arises from long-term borrowings with variable rates, which expose the company to cash flow interest rate risk. company policy is to maintain most of its borrowings at fixed rate using interest rate swaps to achieve this when necessary.

The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.



Notes Forming part of the Standalone Financial Statements

as at March 31, 2021

a) Interest rate risk exposure

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:
(₹ in millions)

Particulars	March 31, 2021	March 31, 2020
Fixed rate borrowings	-	487.50
Total borrowings	-	487.50

b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

iii) Price risk

a) Exposure

The company's exposure to equity securities price risk arises from investments held by the company and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss.

To manage its price risk arising from investments in equity securities, the company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the company.

All of the company's equity investments are publicly traded.

Note 38: Capital management

a) Risk management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a debt equity ratio and is measured by borrowings divided by total equity. Borrowing includes current maturities of long term borrowings.

	March 31, 2021	March 31, 2020
Borrowings	-	487.50
Total equity	5,594.18	5,002.94
Borrowing to equity ratio	-	0.10

b) Dividends

Particulars	March 31, 2021	March 31, 2020
Dividends not recognised at the end of the reporting period		
The directors have not recommended the payment of a final dividend.	-	-

Notes forming part of the Standalone Financial Statements (Contd.)

as at March 31, 2021

Note 39: Related party transactions

A As required under Ind AS 24 – “Related Party Disclosures”, following are details of transactions during the year with the related parties of the Company as defined in Ind AS- 24.

(i) The Company has entered into transactions in ordinary course of business with related parties at arms length as per details given below:

(A) Subsidiary Companies

Datamatics Global Services Inc.
 Datamatics Global Technologies Limited
 Datamatics Global Technologies AG
 Datamatics Infotech Limited
 LD Publishing & eRetail Limited (upto 22nd March, 2021)
 Datamatics Global Services FZ LLC
 Datamatics Global Services Pty. Limited
 Datamatics Robotics Software Limited (Stepdown Subsidiary)
 Datamatics Robotics Software Inc (Stepdown Subsidiary)
 Datamatics Global Services Corp. (Stepdown Subsidiary)
 RJ Globus Solutions Inc (Stepdown Subsidiary)
 RJ Globus Inc (Stepdown subsidiary)
 RJ Globus Solutions Private Limited (Stepdown Subsidiary)
 Cignex Datamatics Corporation (Stepdown Subsidiary) (upto 17th Aug, 2020)
 Cignex Datamatics Technologies Limited (Stepdown Subsidiary) (upto 31st Dec, 2020)
 Cignex Datamatics Inc. (Stepdown Subsidiary) (upto 31st Dec, 2020)
 Cignex Datamatics Pte. Limited (Stepdown Subsidiary) (upto 31st Dec, 2020)
 Cignex Datamatics UK Ltd (Stepdown Subsidiary) (upto 31st Dec, 2020)
 Cignex Datamatics GmbH (Stepdown Subsidiary) (upto 31st Dec, 2020)
 Lumina Datamatics Limited
 Lumina Datamatics Inc. (Stepdown Subsidiary)
 Lumina Datamatics GmbH (Stepdown Subsidiary)
 LDR eRetail Limited (Stepdown Subsidiary)
 Lumina Datamatics Assessment and Analytics, LLC (Stepdown Subsidiary)
 Datamatics Staffing Services Limited (Subsidiary)
 Datamatics Global Services B.V. (Stepdown Subsidiary) (w.e.f. September 13, 2019)

(B) Joint Venture Company

Cybercom Datamatics Information Solutions Limited

(C) Key Managerial Personnel

Dr. Lalit S. Kanodia, Chairman
 Mr. Rahul L. Kanodia, Vice chairman & CEO
 Mr. Sameer L. Kanodia, Director
 Ms. Divya Kumat, Company Secretary
 Mr. Sandeep Mantri, Chief Financial Officer

(D) Other related parties

Mrs. Asha L. Kanodia
 Mrs. Aneesha Dalmia
 Mrs. Priyadarshini Kanodia
 Datamatics Business Solutions Limited
 Datamatics Infotech Services Private Limited

(E) Holding Company

Delta Infosolutions Private Limited

Notes forming part of the Standalone Financial Statements (Contd.)

as at March 31, 2021

Sr. No.	Particulars	(i) A		(i) B		(i) C		(i) D		(i) E	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
		₹ in millions)									
(ii)	Details of transactions with the related parties stated in (i) above :										
x	Corporate guarantee fees	0.60	0.96	-	-	-	-	-	-	-	-
	Cignex Datamatics Technologies Limited	0.60	0.96	-	-	-	-	-	-	-	-
xi	Dividend income	-	-	50.50	10.71	-	-	-	-	-	-
	Cybercom Datamatics Information Solutions Limited	-	-	50.50	10.71	-	-	-	-	-	-
xii	Dividend Paid	-	-	-	-	4.95	4.78	-	-	-	31.81
	Dr. Lalit S. Kanodia	-	-	-	-	3.48	-	-	-	-	-
	Mr. Sameer L. Kanodia	-	-	-	-	1.47	-	-	-	-	-
	Mrs. Asha L. Kanodia	-	-	-	-	-	3.31	-	-	-	-
	Mrs. Priyadarshini Kanodia	-	-	-	-	-	1.47	-	-	-	-
	Delta Infosolutions Private Limited	-	-	-	-	-	-	-	-	-	31.81
xiii	Loans and advances refunded during the year	171.13	34.68	1.51	-	-	-	-	-	-	-
	Datamatics Infotech Limited	3.30	4.47	-	-	-	-	-	-	-	-
	Datamatics Global Services FZ-LLC	6.10	14.07	-	-	-	-	-	-	-	-
	Datamatics Global Services Inc.	13.25	-	-	-	-	-	-	-	-	-
	Cignex Datamatics Pte. Limited	0.04	-	-	-	-	-	-	-	-	-
	Datamatics Global Services BV.	0.16	-	-	-	-	-	-	-	-	-
	Datamatics Global Technologies AG	0.01	-	-	-	-	-	-	-	-	-
	Lumina Datamatics Limited	0.47	1.93	-	-	-	-	-	-	-	-
	Datamatics Robotics Software Limited	147.79	13.95	-	-	-	-	-	-	-	-
	Cybercom Datamatics Information Solutions Limited	-	-	1.51	-	-	-	-	-	-	-
	Datamatics Staffing Services Limited	0.00	0.26	-	-	-	-	-	-	-	-
xiv	Loans and advances given during the year	14.02	164.66	1.15	1.55	-	-	-	-	-	-
	Datamatics Global Services Inc.	0.17	1.03	-	-	-	-	-	-	-	0.60
	Datamatics Global Technologies AG	-	0.01	-	-	-	-	-	-	-	-
	Datamatics Robotics Software Limited	3.13	142.18	-	-	-	-	-	-	-	-
	Datamatics Infotech Limited	2.25	4.71	-	-	-	-	-	-	-	-
	Datamatics Global Services Pty. Limited	0.62	-	-	-	-	-	-	-	-	-
	Lumina Datamatics Limited	0.03	1.57	-	-	-	-	-	-	-	-
	Datamatics Global Services FZ-LLC	7.35	15.10	-	-	-	-	-	-	-	-
	Lumina Datamatics GmbH	0.00	0.05	-	-	-	-	-	-	-	-
	Cignex Datamatics Pte. Limited	-	0.01	-	-	-	-	-	-	-	-
	Cybercom Datamatics Information Solutions Limited	-	-	1.15	1.55	-	-	-	-	-	-
	Datamatics Staffing Services Limited	0.47	-	-	-	-	-	-	-	-	-
	Datamatics Infotech Services Private Limited	-	-	-	-	-	-	-	-	0.60	-
xv	Investment in capital of subsidiaries	477.70	-	-	-	-	-	-	-	-	-
	Lumina Datamatics Limited	171.00	-	-	-	-	-	-	-	-	-
	Datamatics Robotics Software Limited	134.70	-	-	-	-	-	-	-	-	-
	Datamatics Robotics Software Limited	172.00	-	-	-	-	-	-	-	-	-
xvii	Redemption of preference shares	67.45	-	-	-	-	-	-	-	-	-
	Datamatics Global Technologies Limited	509.76	-	-	-	-	-	-	-	-	-
	Lumina Datamatics Limited	167.69	-	-	-	-	-	-	-	-	-
xviii	Interest Income	2.62	6.69	-	-	-	-	-	-	-	-
	Datamatics Robotics Software Limited	1.10	5.36	-	-	-	-	-	-	-	-
	Datamatics Staffing Services Limited	1.51	1.33	-	-	-	-	-	-	-	-

Notes forming part of the Standalone Financial Statements (Contd.)

as at March 31, 2021

Note 40: Employee benefits

The disclosure as required by Ind AS 19 on "Employee Benefits" are given below:

The present value of gratuity obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation of leave benefits (unfunded) is also recognised using the projected unit credit method.

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
I. Defined Contribution Plan		
Charge to the Statement of Profit and Loss based on contributions:		
Employers contribution to provident fund	126.11	122.44
Employers contribution to employees' state insurance	11.10	12.36
Employers contribution to labour welfare fund and others	0.24	0.26
Included in contribution to provident fund and other funds (Refer Note No.31)	137.45	135.06

II. Defined Benefit Plan

i) Movement in Present Value of Obligation

Particulars	(₹ in millions)			
	Gratuity		Leave encashment	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Present Value of Obligation as at the beginning	140.99	98.92	56.80	45.75
Present Value of Obligation transfer In	-	9.41	-	7.25
Current Service Cost	20.06	17.45	47.14	21.62
Interest Expense or Cost	9.65	8.31	3.89	4.06
Re-measurement (or Actuarial) (gain) / loss arising from:				
- change in demographic assumptions	-	(0.11)	(31.79)	(0.03)
- change in financial assumptions	3.39	13.31	2.27	4.62
- experience variance (i.e. actual experience vs assumptions)	(14.39)	23.91	27.60	(10.49)
Past Service Cost	-	-	(17.77)	-
Benefits Paid	(14.67)	(30.22)	(18.48)	(15.97)
Acquisition adjustment	-	-	-	-
Present Value of Obligation as at the end	145.04	140.99	69.66	56.80
Present Value of Obligation as at the end - Current	19.22	20.63	19.40	14.42
Present Value of Obligation as at the end - Non - Current	125.82	120.36	50.26	42.39

Notes Forming part of the Standalone Financial Statements

as at March 31, 2021

ii) Expenses recognised in the income statement and other comprehensive income

(₹ in millions)

Particulars	Gratuity		Leave encashment	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Current service cost	20.06	17.45	47.14	21.62
Past service cost	-	-	(17.77)	-
Net interest cost on the net defined benefit liability	9.65	8.31	3.89	4.06
Actuarial (gains) / losses	-	-	(1.92)	(5.91)
Expenses recognised in Profit & Loss Account	29.71	25.75	31.33	19.78
Other Comprehensive Income				
Actuarial (gains) / losses				
- Change in demographic assumptions	-	(0.11)	-	-
- Change in financial assumptions	3.39	13.31	-	-
- Experience variance	(14.39)	23.91	-	-
Expenses recognised in OCI	(10.99)	37.12	-	-

iii) Financial Assumptions

The principal financial assumptions used in the valuation are shown in the table below

Particulars	Gratuity		Leave encashment	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Discount Rate (per annum)	6.65%	6.30%-6.85%	6.65%	6.30%-6.85%
Salary growth rate (per annum)	4.50%	4.50%	4.50%	4.50%
Mortality Rate	IALM 12-14	IALM 12-14	IALM 12-14	IALM 12-14

iv) Sensitivity Analysis

(₹ in millions)

Particulars	Gratuity		Leave encashment	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Discount rate (- / + 0.5%)	154.12	136.80	151.07	121.02
Salary growth rate (- / + 0.5%)	136.60	154.27	131.88	135.51
Attrition rate (- / + 25%)	146.36	143.87	142.53	127.13
Mortality rate (- / + 10%)	144.92	145.16	140.86	127.97

Sensitivity Analysis

(₹ in millions)

Particulars	Gratuity		Leave encashment	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Discount rate (- / + 1%)	76.93	63.68	62.83	40.46
Salary growth rate (- / + 1%)	63.52	77.01	51.70	48.82
Attrition rate (- / + 50%)	64.83	72.94	53.11	46.08
Mortality rate (- / + 10%)	69.62	69.69	56.77	44.24

v) Maturity profile of Defined Benefit obligation

(₹ in millions)

Expected Cash flow over the next (valued on undiscounted basis)	Gratuity		Leave encashment	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
1 Year	19.22	20.62	19.40	14.41
2 to 5 years	27.06	26.47	19.08	16.10
6 to 10 years	44.10	41.75	13.00	11.88
More than 10 years	307.02	301.94	116.70	97.46

Note - Datamatics Digital Limited has been merged with the company effect from June 1, 2019 as per NCLT order no. CP (CAA) 970/30-232/MB/2020 dated November 06, 2020. The above disclosure are the combined disclosure of the company and Datamatics Digital Limited for the full financial year.

Notes forming part of the Standalone Financial Statements (Contd.)

as at March 31, 2021

Note 41: Leases

a) Non-cancellable operating leases

The Company's significant leasing arrangements are mainly in respect of residential and office premises. The aggregate lease rentals payable on these leasing arrangements are charged as rent under "Other expenses" in Note 34. These leasing arrangements are for a period not exceeding five years and are in most cases renewable by mutual consent, on mutually agreeable terms.

Particulars	₹ in millions	
	March 31, 2021	March 31, 2020
Rental expense relating to operating leases		
Total rental expense relating to operating leases	20.38	57.62

Note 42: Investment in subsidiaries

The Company has an investment in the financial statements of Rs. 646.52 million (Previous year Rs. 646.30 million) in two of its wholly owned subsidiaries and has also extended advances of Rs. 0.05 million (Previous year Rs. 13.14 million) to these subsidiaries as on March 31, 2021. The net worth of these subsidiaries as on March 31, 2021 is Rs. 509.11 million (Previous year Rs. 539.57 million) which is lower than the amount of investment. The investment is for long term and of strategic nature. As the management is confident of turning around these subsidiaries in the near future and hence, no provision for diminution in the value of investment and advances has been considered necessary by the management.

Note 43: Earnings per share

Particulars	₹ in millions	
	March 31, 2021	March 31, 2020
(a) Net Profit after taxation attributable to equity shareholders (Rs. in millions)	563.10	403.13
(b) Weighted average number of outstanding equity shares considered for		
Basic and Diluted EPS (Nos.)	5,89,49,337	5,89,49,337
(c) Earnings per share		
(Nominal value per share Rs. 5 each)		
Basic and Diluted earnings per share (in Rs.) (a/b)	9.55	6.84

Note 44: Contingent Liability and Commitments

Provision is made in the financial statements if it becomes probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Contingent Liabilities to the extent not provided for:	₹ in millions	
	March 31, 2021	March 31, 2020
(a) Claims against the Company not acknowledged as debt:		
(i) Income Tax matters	17.74	17.74
(b) Details of guarantees outstanding as at:		
(i) Corporate guarantees provided to banks against credit facilities extended to subsidiaries and joint venture	-	48.00
(ii) Guarantees given by banks	469.90	447.72
(c) Capital and other commitments:		
(i) Estimated amount of contracts on capital account remaining to be executed and not provided for (net of advances)	-	-



Notes Forming part of the Standalone Financial Statements

as at March 31, 2021

Note 45: Forward contracts in foreign currencies

The Company in accordance with its risk management policies and procedures, enters into foreign currency forward contracts to manage its exposure in foreign exchange rates. The counter party is generally a bank. The foreign exchange forward contracts mature within a period of one month and two years.

The Company uses forward exchange contracts to hedge its exposure in foreign currency on highly probable forecast transactions. The information on derivative instruments is given below. The table below analyzes the derivative financial instruments into relevant maturity groupings based on the remaining period as of the balance sheet date:

(₹ in millions)

Particulars	March 31, 2021	March 31, 2020
Not later than one month	95.54	113.53
Later than one month and not later than three months	176.26	227.33
Later than three months and not later than one year	874.29	956.91
Later than one year	581.38	891.39
Total	1,727.47	2,189.16

The following are outstanding foreign exchange forward contracts, which have been designated as Cash Flow Hedges, as at:

(₹ in millions)

Foreign Currency	March 31, 2021			March 31, 2020		
	No. of Contracts	Notional amount of Currency Forward contract	Fair Value gain / (loss)	No. of Contracts	Notional amount of Currency Forward contracts	Fair Value gain / (loss)
U.S. Dollar	129	11.00	(25.37)	195	15.72	(36.38)
Sterling Pound	100	8.49	23.42	149	9.97	23.08
Total			(1.94)			(13.30)

Net gain / (loss) on derivative instruments of Rs. (1.94) million (FY 2019-20 Rs. (13.30) million) recognised in Hedging Reserve as of March 31, 2021, is expected to be reclassified to the Statement of Profit and Loss by December 31, 2022.

Note 46: Segment Information

The company publishes standalone financial statements of the company along with the consolidated financial statements. In accordance with Ind AS 108 - Operating segments, the company has disclosed the segment information in the consolidated financial statements.

Note 47: Auditor's Remuneration

(₹ in millions)

Particulars	March 31, 2021	March 31, 2020
For services as auditors, including quarterly audits	2.93	3.59
For tax audit	0.23	0.29
For other services	0.71	0.32
Total	3.86	4.20

Notes forming part of the Standalone Financial Statements (Contd.)

as at March 31, 2021

Note 48: Loans and advances to Subsidiaries consist of following

Particulars	(₹ in millions)			
	Balance Outstanding as on March 31, 2021	Maximum amount outstanding during the year	Balance Outstanding as on March 31, 2020	Maximum amount outstanding during the year
Datamatics Global Services Inc. *	-	13.08	13.08	13.43
Datamatics Infotech Limited *	-	1.06	1.06	5.07
Datamatics Global Services Pty Limited *	1.18	1.45	0.56	0.72
Datamatics Global Technologies AG *	0.05	0.06	0.06	0.06
Lumina Datamatics Limited *	0.11	20.68	0.54	1.23
Datamatics Global Services FZ LLC *	2.85	3.33	1.60	12.33
Datamatics Global Services B.V. *	0.16	0.16	-	-
Lumina Datamatics GmbH *	0.05	0.05	0.05	0.05
Cignex Datamatics Pte. Ltd. *	-	0.04	0.04	0.04
Datamatics Robotics Software Limited *	5.30	21.12	20.66	21.72
Datamatics Robotics Software Limited	-	-	129.30	129.30
Datamatics Staffing Services Limited	18.00	18.00	18.00	18.00
Datamatics Staffing Services Limited *	0.47	0.47	0.00	0.26
TOTAL	28.17	79.51	184.95	202.21

* Interest free advances.

Note 49: Loans and advances to Subsidiaries consist of following

	(₹ in Millions)	
	March 31, 2021	March 31, 2020
a) Loans given		
Datamatics Robotics Software Limited	-	129.30
Datamatics Staffing Services Limited	-	18.00
b) Investments made		
There are no investments by Company other than those stated under Note 4 and Note 10 in the financial statements.	-	-
c) Guarantees given		
To secure obligations of subsidiaries – Guarantees to banks	-	48.00
d) Securities given		
There are no securities given during the year.	-	-



Notes Forming part of the Standalone Financial Statements

as at March 31, 2021

Note 50: Revenue from contract with major customers

No single customer represents 10% or more of the Company's total revenue during the year ended March 31, 2021 and March 31, 2020.

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially satisfied) performance obligations, along with the broad time band for the expected time to recognise those revenues, the Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognise corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts. Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of estimates, economic factors (changes in currency rates, tax laws etc).

Particulars	(₹ in millions)	
	March 31, 2021	March 31, 2020
Balance at beginning of the year	176.04	44.13
Revenue recognised during the year	260.38	250.23
Invoices raised during the year	182.73	118.32
Balance at the end of the year	253.68	176.04

Note 51: Merger of Datamatics Digital limited with company

The Company had earlier stake in Datamatics Digital Limited (formerly known as Techjini Solutions Private Limited) ("DDL") various tranches and owned 81.09% stake in DDL as on 1 April 2019. Thereafter, the Company had acquired the balance 18.91% stake on 14 May 2019, thereby making DDL a wholly owned subsidiary of the Company. Thereafter, vide Board Meeting dated 13 November 2019, the Company had approved the amalgamation of DDL with itself through a Scheme of Arrangement u/s 230-232 of the Companies Act, 2013 ("Scheme") with an Appointed Date of 1 June 2019.

Since DDL is a wholly owned subsidiary of the Company, no further shares would be required to be issued by the Company to the shareholders of DDL since the entire share capital of DDL is held by the Company. Further, since this Scheme provides for amalgamation of a wholly owned subsidiary with its 100% holding company, the requirement of obtaining a No Objection Letter from the stock exchanges and SEBI under SEBI Circular dated 10 March 2017 was not applicable. However, for the purposes of disclosure, the Company had filed a copy of the board resolution and draft Scheme with the stock exchanges.

Subsequent to the above, the Company had filed an application (C.A. (CAA) No. 3749 of 2019) with the National Company Law Tribunal, Mumbai Bench, ("NCLT") for seeking dispensation for convening meeting of shareholders and the creditors of the Company and DDL and also seeking directions to, inter alia, serve notices to various regulatory authorities viz., the concerned Income-tax Authority, the Regional Director, Western Region, Mumbai, the Registrar of Companies, Mumbai, the Official Liquidator, Mumbai (insofar as DDL is concerned) and SEBI and the stock exchanges (insofar as the Company is concerned). The NCLT was pleased to dispense with the meeting of the shareholders and the creditors of the Company and DDL and also direct the Company and DDL to, inter alia, serve notices as above, vide its order dated 20 February 2020.

DDL was partly acquired by DGSL from an unrelated party in FY 2018-19 and partly in FY 2019-20 such that DDL became a wholly owned subsidiary of DGSL on May 15, 2019 (i.e. prior to the Appointed Date, being 1 June 2019). In line with the earlier intention of DGSL, it was contemplated by DGSL to merge DDL with itself, immediately subsequent to the acquisition of 100% in DDL by DGSL. Therefore, the intermediate step of acquisition of shares along with the subsequent intention to merge DDL with DGSL is considered to be a single business combination. In the context of a composite arrangement of acquisition of shares of DDL from an unrelated party followed by a merger of DDL with DGSL, DGSL has applied "acquisition method" of accounting under Ind AS 103 to account for the said acquisition of DDL by DGSL so as to represent genuine substantive business combination of DDL (previous controlled by unrelated parties) with DGSL.

The Company and DDL have complied with all the requisite filings as per directions of the National Company Law Tribunal, Mumbai Bench ("NCLT"). The NCLT has approved the merger of DDL with the Company vide order no. CP (CAA) 970/30-232/MB/2020 dated November 06, 2020. In view thereof, since the merger of DDL with DGSL is effective from June 01, 2019 i.e. the appointed date, the accounting effect of the merger was given during the current year w.e.f. the appointed date. Consequently, all relevant figures of the previous year ended March 31, 2020 pertaining to the standalone financial statements have been restated.

The NCLT has passed the order of DGSL-DDL merger vide order no. CP (CAA) 970/30-232/MB/2020 dated November 06, 2020. Hence the books of DDL has been merged with DGSL w.e.f. June 1, 2019. Following is the calculation of goodwill arising out of transaction.

Notes forming part of the Standalone Financial Statements (Contd.)

as at March 31, 2021

Particulars	(₹ in millions)
	Amount
Property, Plant and Equipments (including Intangible Assets)	8.92
Investments	146.86
Cash and Bank Balance	9.47
Other financial assets	6.75
Loans and advances	18.95
Deferred tax assets	19.66
Other assets	87.90
Trade Payable	(8.80)
Other current liabilities	(4.42)
Provisions	(17.21)
Net Assets	268.08
Less: Investment in Datamatics Digital Limited	(555.11)
Goodwill	287.02

Note 52: Impairment

As per Companies (Accounting Standards) Rules, 2013 issued by the Central Government, in consultation with National Advisory Committee on Accounting Standards ('NACAS') and the relevant provisions of the Companies Act, 2013, to the extent applicable, the carrying value of the asset has been reviewed for impairment of assets and there is no impairment of assets.

Note 53: Transfer pricing

The Management is of the opinion that its international transactions are at arm's length as per the independent accountants certificate for the year ended March 31, 2021. The Management continues to believe that its international transactions during the current financial year are at arm's length and that the transfer pricing legislation will not have any impact on these financial statements, particularly on amount of tax expense and that of provision for taxation.

Note 54: Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Note 55: Impact of COVID - 19 Pandemic

The company has assessed the possible effects that may result from the COVID-19 pandemic on the carrying amounts of receivables, unbilled revenues, goodwill, intangibles, investments and other assets / liabilities. Based on the current indicators of economic conditions, the company expects to recover the carrying amount of all its assets. The actual impact of the COVID-19 pandemic may be different from that estimated as at the date of approval of these standalone financial statements and the company will continue to closely monitor any material changes to the economic conditions in the future.

Note 56: Previous year's figures

Previous year figures have been appropriately regrouped / reclassified and rearranged wherever necessary to conform to the current year's presentation.

As per our attached report of even date
For **M L BHUWANIA AND CO LLP**
Chartered Accountants
FRN: 101484W/W100197

Ashishkumar Bairagra
Partner
Membership No. 109931

Place : Mumbai
Dated : May 26, 2021

For and on Behalf of the Board

Dr. Lalit S. Kanodia
Chairman
DIN 00008050

Rahul L. Kanodia
Vice Chairman & CEO
DIN 00075801

R. K. Saraswat
Director
DIN 00015095

Divya Kumat
EVP, Chief Legal Officer & Company Secretary

Sandeep Mantri
Chief Financial Officer



Statement pursuant to first provision to sub Section 3 of Section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rule, 2014 in the prescribed Form AOC-1 relating to Subsidiary Companies.

Sr. No.	Name of the Subsidiary Company	Reporting Currency	Exchange Rate	Equity	Other Equity	Total Assets	Total Liabilities	Investments (3)	Turnover (2)	Profit / (Loss) before taxation (2)	Provision for taxation (2)	Profit / (Loss) after taxation (2)	Proposed dividend	Percentage of Shareholding	Country
1	Datamatics Global Services Inc	USD	73.11	2,065.05	(1,556.76)	1,171.12	662.83	79.58	1,803.74	(37.52)	2.67	(40.19)	-	100.00%	USA
2	Datamatics Infotech Limited	GBP	100.72	2.01	356.03	562.98	204.94	-	1,068.41	106.42	23.37	83.05	-	100.00%	UK
3	Datamatics Global Services Pty. Limited	AUD	55.52	2.78	32.77	40.58	5.03	-	43.35	18.29	3.87	14.41	-	100.00%	Australia
4	Datamatics Global Technologies Limited	USD	73.11	73.11	172.89	650.86	404.86	-	4.75	81.82	0.14	81.68	-	100.00%	Mauritius
5	Datamatics Global Services Corp	PHP	1.51	15.10	(4.10)	113.35	102.35	3.70	-	(0.41)	(0.99)	0.59	-	100.00%	Philippines
6	Datamatics Global Services FZ LLC	AED	19.90	1.00	137.27	166.44	28.17	-	162.55	13.77	-	13.77	-	100.00%	Dubai
7	Datamatics Global Technologies AG	CHF	77.48	3.87	(3.05)	4.09	3.26	-	15.81	0.19	-	0.19	-	100.00%	Switzerland
8	Datamatics Robotics Software Inc	USD	73.11	0.74	4.22	27.45	22.50	10.37	17.98	0.81	-	0.81	-	92.97%	USA
9	Datamatics Robotics Software Limited	INR	1.00	10.00	(171.37)	187.64	349.01	-	79.52	(144.30)	(55.86)	(108.45)	-	92.97%	India
10	Datamatics Global Services BV	EUR	85.75	2.14	0.40	3.88	1.33	-	2.84	0.57	-	0.57	-	100.00%	Netherlands
11	Datamatics Staffing Services Limited	INR	1.00	1.00	7.28	38.34	30.07	5.62	56.28	(4.37)	(1.13)	(3.24)	-	51.00%	India
12	LD Publishing and eRetail Limited	INR	1.00	-	-	-	-	-	-	0.03	-	0.03	-	100.00%	India
13	RJ Globus Solutions Inc	PHP	1.51	0.38	498.6	293.41	243.17	0.79	985.80	50.57	-	50.57	-	100.00%	Philippines
14	RJ Globus Inc	USD	73.11	0.73	(0.08)	0.66	-	0.12	-	(0.03)	-	(0.03)	-	100.00%	USA
15	RJ Globus Solutions Private Limited	INR	1.00	0.10	(0.01)	0.10	0.01	-	-	-	-	-	-	100.00%	India
16	Lumina Datamatics Limited	INR	1.00	107.79	2,664.31	3,053.97	281.87	2,123.37	1,767.19	581.76	104.97	476.79	-	100.00%	India
17	Lumina Datamatics Inc	USD	73.11	2,142.89	(1,654.19)	955.35	466.65	53.92	2,332.96	(182.39)	11.60	(193.99)	-	100.00%	USA
18	Lumina Datamatics GmbH	EUR	85.75	17.15	2.40	23.76	4.20	-	36.52	0.83	0.22	0.62	-	100.00%	Germany
19	LDR eRetail Limited	INR	1.00	0.50	24.01	27.56	3.06	20.58	23.85	6.55	0.04	6.50	-	100.00%	India
20	Lumina Datamatics Assessment & Analytics, LLC	USD	73.11	115.83	(214.26)	15.33	113.76	-	9.70	(28.98)	-	(28.98)	-	65.00%	USA
21	Cignex Datamatics Corporation	USD	73.11	-	-	-	-	-	-	(0.08)	-	(0.08)	-	62.51%	BVI
22	Cignex Datamatics Inc	USD	73.11	-	-	-	-	-	930.09	138.64	44.89	93.75	-	62.51%	USA
23	Cignex Datamatics Technologies Limited	INR	1.00	-	-	-	-	-	631.71	51.83	14.77	37.06	-	62.51%	India
24	Cignex Datamatics Pte. Limited	SGD	54.40	-	-	-	-	-	5.94	0.54	0.00	0.54	-	62.51%	Singapore
25	Cignex Datamatics GmbH	EUR	85.75	-	-	-	-	-	-	(0.46)	0.07	(0.54)	-	62.51%	Germany
26	Cybercom Datamatics Information Solutions Limited	INR	1.00	8.48	53.78	68.63	6.36	21.71	44.43	8.51	0.02	8.49	-	50.50%	India

Notes:

1. Indian rupee equivalents of the figures given in foreign currencies in the accounts of the Subsidiary Companies, are based on the exchange rates as on March 31, 2021.
2. Converted at monthly average exchange rates.
3. Investments represents investments other than investments in subsidiaries.
4. The reporting period for all the Subsidiaries is March 31, 2021.

For and on Behalf of the Board

Dr. Lalit S. Kanodia
Chairman
DIN 00008050

Rahul L. Kanodia
Vice Chairman & CEO
DIN 00075801

R. K. Saraswat
Director
DIN 00015095

Place : Mumbai

Date : May 26, 2021

Sandeep Mantri
Chief Financial Officer

Divya Kumrat
EVP, Chief Legal Officer & Company Secretary

DATAMATICS