DATAMATICS GLOBAL TECHNOLOGIES LIMITED
Financial statements for the year ended
31 March 2017

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DATAMATICS GLOBAL TECHNOLOGIES LIMITED
Company information

		Date of appointment
Directors	: Ms Tanya Sek Sum	25 March 2009
	Mr Salim Mohammad Jhumka	25 March 2009
	Mr Sameer Lalit Kanodia	11 september 2012
Management company	: Port Louis Management Services Ltd 3rd Floor, Harbour Front Building President John Kennedy Street Port Louis Republic of Mauritius	
Secretary	: Port Louis Management Services Ltd 3rd Floor, Harbour Front Building President John Kennedy Street Port Louis Republic of Mauritius	
Registered office	: 3rd Floor, Harbour Front Building President John Kennedy Street Port Louis Republic of Mauritius	
Auditors	: PKF (Mauritius) 5, Duke of Edinburgh Avenue Port Louis Republic of Mauritius	
Banker	: SBI (Mauritius) Ltd SBI Tower Mindspace 45, Ebene Cybercity Republic of Mauritius	

DATAMATICS GLOBAL TECHNOLOGIES LIMITED
Directors' report

The directors have pleasure in submitting their report to the member together with the financial statements for the year ended 31 March 2017.

Principal activity

The main object of the company is to acquire, hold, purchase, administer, manage, sell and sub-license intellectual property. The company shall conduct research on, develop, improve, design, market, sell, buy, licence and maintain software programs and products. The company shall also carry on the activities of Business Processing Outsourcing (BPO), provide consultancy services and hold investment in equity shares, bonds and securities.

Results and dividend

The statement of profit or loss and other comprehensive income for the year is set out on page 8. The directors do not recommend the payment of dividend in respect of the year ended 31 March 2017 (31 March 2016: Nil).

The statement of directors' responsibilities in respect of the financial statements

Company law requires the directors to prepare financial statements for each financial year which present fairly the financial position, financial performance and cash flows of the company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2001. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

The auditors, PKF (Mauritius) have indicated their willingness to continue in office for the year ending 31 March 2018 and will automatically be reappointed in the next annual meeting.

By order of the board

Director

Port Louis,
Republic of Mauritius

Date: 22 May 2017

DATAMATICS GLOBAL TECHNOLOGIES LIMITED

Secretary's certificate
Under section 166 (d) of the Mauritius Companies Act 2001

We certify that, to the best of our knowledge and belief, we have filed with the Registrar of Companies all such returns as are required of DATAMATICS GLOBAL TECHNOLOGIES LIMITED under the Mauritius Companies Act 2001 for the financial year ended 31 March 2017.

For and on behalf of:
Port Louis Management Services Ltd
Company Secretary

Date: 22 May 2017

INDEPENDENT AUDITORS' REPORT
TO THE MEMBER OF DATAMATICS GLOBAL TECHNOLOGIES LIMITED

This report is made solely to the member of the Company as a body in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's member those matters we are required to state to it in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's member as a body, for our audit work, for this report, or for the opinion we have formed.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements set out on pages 7 to 23 which comprise the statement of financial position as at 31 March 2017, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of, in all material respects, the financial position of the Company as at 31 March 2017, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with the requirements of the Mauritius Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Mauritius, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001. They are also responsible for such internal control as they determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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INDEPENDENT AUDITORS' REPORT (CONT'D)
TO THE MEMBER OF DATAMATICS GLOBAL TECHNOLOGIES LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITORS' REPORT (CONT'D)
TO THE MEMBER OF DATAMATICS GLOBAL TECHNOLOGIES LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

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.

Report on Other Legal and Regulatory Requirements

In accordance with requirements of the Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or any interests in, the Company other than in our capacity as auditors;
- we have obtained all the information and explanations we have required; and
- in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

PKF (MTS)

PKF (MAURITIUS)
PUBLIC ACCOUNTANTS

MICHAEL V.K LO TIAP KWONG, FCCA
(Licensed by FRC)

Port Louis
MAURITIUS

Date: 22 MAY 2017

DATAMATICS GLOBAL TECHNOLOGIES LIMITED
Statement of financial position
At 31 March 2017

Assets	Notes	2017 USD	2016 USD
Non-current assets			
Property, plant and equipment	5	-	-
Intangible asset	6	-	-
Investment in subsidiary	7	14,585,771	14,997,000
Total non-current assets		14,585,771	14,997,000
Current assets			
Trade and other receivables	8	133,103	137,287
Cash and cash equivalents	9	304,138	53,145
Total current assets		437,241	190,432
Total assets		15,023,012	15,187,432
Equity and liabilities			
Equity			
Stated capital	10	1,000,000	1,000,000
Fair value reserve		2,000,000	2,000,000
Accumulated losses		(783,172)	(993,576)
Total equity		2,216,828	2,006,424
Current liabilities			
Redeemable preference shares	11	12,750,000	13,150,000
Trade and other payables	12	56,184	31,008
Total current liabilities		12,806,184	13,181,008
Total equity and liabilities		15,023,012	15,187,432

These financial statements have been approved for issue by the Board of Directors on 22 May 2017 and signed on its behalf by:

....
Salim Mohammad Jhumka
Director

....
Tanya Sek Sum
Director

Notes on pages 11 to 23 form part of these financial statements.
Auditors' report on pages 4 to 6.

DATAMATICS GLOBAL TECHNOLOGIES LIMITED
Statement of profit or loss and other comprehensive income
For the year ended 31 March 2017

	Notes	2017 USD	2016 USD
Revenue	13	233,286	222,290
Other income	14	89,222	200
Operating expenses	15	(86,408)	(80,154)
Administrative expenses	16	(12,369)	(19,404)
Finance costs	17	(1,016)	(1,067)
Profit before tax		222,715	121,865
Taxation	18	(12,311)	(6,952)
Profit for the year		210,404	114,913
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
Total comprehensive income for the year		210,404	114,913

Notes on pages 11 to 23 form part of these financial statements.
Auditors' report on pages 4 to 6.

DATAMATICS GLOBAL TECHNOLOGIES LIMITED
Statement of changes in equity
For the year ended 31 March 2017

	Stated capital USD	Accumulated losses USD	Fair value reserve USD	Total equity USD
Balance as at 1 April 2015	1,000,000	(1,108,489)	2,000,000	1,891,511
Total comprehensive income for the year	-	114,913	-	114,913
Balance as at 31 March 2016	1,000,000	(993,576)	2,000,000	2,006,424
Balance as at 1 April 2016	1,000,000	(993,576)	2,000,000	2,006,424
Total comprehensive income for the year	-	210,404	-	210,404
Balance as at 31 March 2017	1,000,000	(783,172)	2,000,000	2,216,828

Notes on pages 11 to 23 form part of these financial statements.
Auditors' report on pages 4 to 6.

DATAMATICS GLOBAL TECHNOLOGIES LIMITED
Statement of cash flows
For the year ended 31 March 2017

	2017 USD	2016 USD
Cash flows from operating activities		
Profit before tax	210,404	114,913
Adjustments:		
Interest income	(451)	(200)
Profit on disposal of investment	(88,771)	-
Operating profit before working capital changes	121,182	114,713
Net change in trade and other receivables	4,184	(82,243)
Net change in trade and other payables	25,176	26,768
Net cash generated from operating activities	150,542	59,238
Cash flows from investing activities		
Interest received	451	200
Proceed from disposal of investment	500,000	-
Net cash generated from investing activities	500,451	200
Cash flows from financing activities		
Redemption of shares	(400,000)	(400,000)
Net cash used in financing activities	(400,000)	(400,000)
Net change in cash and cash equivalents	250,993	(340,562)
Cash and cash equivalents at the beginning of the year	53,145	393,707
Cash and cash equivalents at the end of the year	304,138	53,145
Cash and cash equivalents consist of:		
Cash at bank	304,138	53,145

Notes on pages 11 to 23 form part of these financial statements.
Auditors' report on pages 4 to 6.

1. **General information**

DATAMATICS GLOBAL TECHNOLOGIES LIMITED "the company" is a Category 1 Global Business Licence company incorporated on 25 March 2009 in Mauritius under the Companies Act 2001 and is governed by the Financial Services Act 2007.

The main object of the company is to acquire, hold, purchase, administer, manage, sell and sub-license intellectual property. The company shall conduct research on, develop, improve, design, market, sell, buy, licence and maintain software programs and products. The company shall also carry on the activities of Business Processing Outsourcing (BPO), provide consultancy services and hold investment in equity shares, bonds and securities.

2. **Basis of preparation**

(a) **Statement of compliance**

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

(b) **Basis of measurement**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of the investment in subsidiary.

(c) **Functional and presentation currency**

These financial statements are presented in United States Dollars ("USD"), which is the Company's functional currency. All financial information presented in USD has been rounded to the nearest Dollar.

Determination of functional currency

Since the Company operates in an international environment and conducts most of its transactions in foreign currencies, the Company has chosen to retain United States Dollar ("USD") as both its functional and presentation currency.

(d) **Significant accounting judgments, estimates and assumptions**

The preparation of the financial statements in conformity with IFRS requires management to exercise judgments, use accounting estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3. **Significant accounting policies**

(a) **Foreign currency transaction**

Transactions and balances

Transactions in foreign currencies are translated to the functional currencies at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in the statement of profit or loss and other comprehensive income, which are recognised in other comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

3. **Significant accounting policies (Cont'd)**

(b) **Investment in subsidiary**

Subsidiary undertakings are those entities in which the Company controls an investee if all three of the following elements are present:

- power over investee;
- exposure to variable returns from the investee; and
- the ability of the investor to use its power to affect those returns.

Investment in subsidiary, which is unquoted, is stated at fair value which is the directors' best estimate. The carrying value is maintained unless the directors are of opinion that there has been a permanent diminution in the value of the investment.

Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these 3 elements.

Investment in subsidiary, which is unquoted, has been stated at fair value and is classified within level 2 on the fair value hierarchy.

(c) **Financial instruments**

Financial instruments carried on the statement of financial position include trade and other receivables (excluding prepayments), cash and cash equivalents, redeemable preference shares and trade and other payables. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

(d) **Property, plant and equipment**

Plant and equipment are stated at cost less accumulated depreciation. Depreciation is calculated to write off the cost or revalued amount of the assets to their estimated residual values on a straight line basis over their expected useful lives as follows:

Equipment	- 4 years
Furniture and fittings	- 4 years

The estimated useful lives, residual values and depreciation method were reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Plant and equipment were fully depreciated for year ended ended 31 March 2014.

(e) **Intangible asset**

Intangible asset consist of software which was recognised as asset comprises both the original purchase cost and expenditures directly attributable to its development. Management has decided to adopt the policy of amortising software costs over a period of three years on a straight line basis. The software was fully amortised for year ended ended 31 March 2014.

3. **Significant accounting policies (Cont'd)**

(f) **Related parties**

Related parties are individuals and companies where the individual or company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

(g) **Trade and other receivables**

Trade and other receivables are stated at their original invoiced value, as the interest that would be recognised from discounting future cash receipts over the short credit period is not considered to be material. Trade receivables are reduced by appropriate allowances for estimated irrecoverable amounts. Interest on overdue trade receivables is recognised as it accrues. The carrying value of trade and other receivables are recognised at their nominal value which are a fair approximation of their amortised cost.

(h) **Trade and other payables**

Trade and other payables are stated at their original invoiced value, as the interest that would be recognised from discounting future cash payments over the short payment period is not considered to be material. The carrying value of trade and other payables are recognised at their nominal value which are a fair approximation of their amortised cost.

(i) **Redeemable preference shares**

Preference shares that carry a mandatory coupon that represents a market rate of interest at the issue date, or which are redeemable on a specific date or at the option of the shareholder are classified as financial liabilities and are presented under current liabilities. The dividends on these preference shares are recognised in the income statement as interest expense on an amortised cost basis using the effective interest method.

(j) **Cash and cash equivalents**

Cash and cash equivalents comprises cash at bank. Cash equivalents are short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(k) **Impairment of financial assets**

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. There are no such indications of events having impact on future cash flows of the Company. Therefore, no impairment provision is required to be made by the Company.

3. **Significant accounting policies (Cont'd)**

(l) **Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less cost to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators. Impairment losses of continuing operations are recognised in the statement of profit or loss and other comprehensive income.

4. **Changes in accounting policy and disclosures**

(i) **New and amended standards and interpretations adopted during the year**

The accounting policies adopted are consistent with those of the previous financial year except that the Company has adopted the following Standards and IFRIC interpretations as of 1 April 2016:

- IAS 1 Presentation of Financial Statements
- IAS 27 Consolidated and Separate Financial Statements
- IAS 28 Investments in Associates
- IFRS 7 Financial Instruments: Disclosures
- IFRS 10 Consolidated Financial Statements
- IFRS 12 Disclosure of Interests in Other Entities

The effects of these standards have been described below:

IAS 1 Presentation of Financial Statements

Disclosure Initiative: Amendments designed to encourage entities to apply professional judgement in determining what information to disclose in their financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. Furthermore, the amendments clarify that entities should use professional judgement in determining where and in what order information is presented in the financial disclosures.

IAS 27 Consolidated and Separate Financial Statements

Amendments to IAS 27 will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. These amendments will not impact the Company's financial position or performance.

IAS 28 Investments in Associates

Investment Entities: Applying the Consolidation Exception: Narrow-scope amendments to IFRS 10, IFRS 12 and IAS 28 introduce clarifications to the requirements when accounting for investment entities. The amendments also provide relief in particular circumstances, which will reduce the costs of applying the Standards.

4. **Changes in accounting policy and disclosures (Cont'd)**

(i) New and amended standards and interpretations adopted during the year (Cont'd)

IAS 28 Investments in Associates (Cont'd)

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28): Narrow scope amendment address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. These amendments will not impact the Company's financial position or performance.

IFRS 7 Financial Instruments: Disclosures

Annual Improvements 2012-2014 Cycle: Amendment clarifying under what circumstances an entity will have continuing involvement in a transferred financial asset as a result of servicing contracts.

Annual Improvements 2012-2014 Cycle: Amendment clarifying the applicability of previous amendments to IFRS 7 issued in December 2011 with regard to offsetting financial assets and financial liabilities in relation to interim financial statements prepared under IAS 34. These amendments will not impact the Company's financial position or performance.

IFRS 10 Consolidated Financial Statements

Investment Entities: Applying the Consolidation Exception: Narrow-scope amendments to IFRS 10, IFRS 12 and IAS 28 introduce clarifications to the requirements when accounting for investment entities. The amendments also provide relief in particular circumstances, which will reduce the costs of applying the Standards.

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28): Narrow scope amendment address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. These amendments will not impact the Company's financial position or performance.

IFRS 12 Disclosure of Interests in Other Entities

Investment Entities: Applying the Consolidation Exception: Narrow-scope amendments to IFRS 10, IFRS 12 and IAS 28 introduce clarifications to the requirements when accounting for investment entities. The amendments also provide relief in particular circumstances, which will reduce the costs of applying the Standards. These amendments will not impact the Company's financial position or performance.

(ii) Accounting standards and interpretations issued but not yet effective

Standards and interpretations issued but not yet effective up to the date of issuance of the Company's financial statements are listed below. This listing is of standards and interpretations issued, which the Company reasonably expects to be applicable at a future date.

	Effective for accounting period beginning on or after
- IFRS 9 Financial Instruments	1 January 2018

The directors anticipate that the adoption of these standards and interpretations in future years will have no material impact on the financial statements of the Company.

5. **Property, plant and equipment**

	2017			2016		
	USD	USD	USD	USD	USD	USD
Costs	**Equipment**	**Furniture & Fittings**	**Total**	**Equipment**	**Furniture & Fittings**	**Total**
At beginning of the year	344	2,145	2,489	344	2,145	2,489
Addition during the year	-	-	-	-	-	-
At end of the year	344	2,145	2,489	344	2,145	2,489
Depreciation						
At beginning of the year	344	2,145	2,489	344	2,145	2,489
Charge for the year	-	-	-	-	-	-
At end of the year	344	2,145	2,489	344	2,145	2,489
Net book values	-	-	-	-	-	-

6. **Intangible asset**

Costs	**2017 USD**	**2016 USD**
At beginning of the year	1,802,896	1,802,896
Addition during the year	-	-
At end of the year	1,802,896	1,802,896
Amortisation		
At beginning of the year	1,802,896	1,802,896
Charge for the year	-	-
At end of the year	1,802,896	1,802,896
Net book values	-	-

7. **Investment in subsidiary**

	2017 USD	**2016 USD**
Opening balance	14,997,000	14,997,000
Disposal during the year	(411,229)	-
Closing balance	14,585,771	14,997,000

Name of company	: Cignex Datamatics Corporation, BVI (CDC)
Percentage holding	: 2017 - 59.11 % and 2016 - 60.78 % in common shares
Country of incorporation	: British Virgin Islands
Number of shares	: 2017 - 13,206,998 shares and 2016 - 13,579,354 common shares
Type of shares	: Common shares

In the opinion of the directors, there has been no change to the fair value of the investment. Hence, the value of the investment has been kept same as last year.

The Company did not prepare group financial statements consolidating the results of CDC, because:

(a) it is itself a subsidiary of Datamatics Global Services Limited and its owners, including those not otherwise entitled to vote, have been informed about, and do not object to, the company not presenting group financial statements;

(b) the company does not have debt or equity instruments which are or to be traded in a public market;

(c) the company did not file and is not in the process of filing its financial statements with a securities commission or other regulatory organisation for the purpose of issuing any class of instruments in a public market; and

7. **Investment in subsidiary (Cont'd)**

(d) the holding company produces group financial statements available for public use that comply with International Financial Reporting Standards.

The summarised latest financial information of the CDC is given below:	2017 USD	2016 USD
Non-current assets	3,332,357	2,557,620
Current assets	9,241,712	9,757,399
Total assets	12,574,069	12,315,019
Non-current liabilities	1,784,915	1,835,183
Current liabilities	5,649,768	4,821,435
Total liabilities	7,434,683	6,656,618
Revenue	24,863,219	27,362,607
Loss before tax	(286,468)	(1,087,089)

8. **Trade and other receivables**

Receivable from Datamatics Global Services Ltd	122,507	119,528
Receivable from VF Worldwide Holdings Ltd	10,160	17,759
Prepaid expenses	436	-
	133,103	137,287

Ageing analysis of amount due by the trade debtors is as follows:

Aged more than 1 year	8,697	8,697
Aged less than 1 year	123,970	128,590
Total	132,667	137,287
Past due, considered as recoverable	132,667	137,287
Not past due (30 days)	-	-
Total	132,667	137,287

9. **Cash and cash equivalents**

Cash at bank	304,138	53,145

10. **Stated capital**

	2017 USD	2016 USD
1,000,000 ordinary shares of no par value	1,000,000	1,000,000

The shares in the Company carry one vote per share and each share have equal rights on distribution of income and capital.

11. Redeemable preference shares

	2017 USD	2016 USD
Series 2 Convertible Non Cumulative Redeemable 8% Preference Shares of USD 1 each (2017: 3,450,000 shares and 2016: 3,850,000 shares)	3,450,000	3,850,000
Series 3 Convertible Non Cumulative Redeemable 8% Preference Shares of USD 1 each (2017 and 2016: 9,300,000 shares)	9,300,000	9,300,000
	12,750,000	13,150,000

The Series 2 convertible non cumulative preference shares are redeemable any time within 20 years at the option of the holding company, carry no voting rights for the holder and in the event of winding up, does not confer right in respect to the distribution of surplus assets and entitle its holder to repayment of capital in priority to the holder of shares of any other class. A redemption of 400,000 shares was made during the year (31 March 2016: 400,000 shares).

The Series 3 convertible non cumulative 8% preference shares are redeemable any time at the option of the holding company, carry no voting rights for the holder and in the event of winding up, does not confer right in respect to the distribution of surplus assets.

12. Trade and other payables

	2017 USD	2016 USD
Accruals	4,605	3,230
Datamatics Global Services Ltd	51,579	27,778
	56,184	31,008

13. Revenue

	2017 USD	2016 USD
Income from Datamatics Global Services Ltd	122,507	119,528
Income from VF Worldwide Holdings Ltd	110,779	102,762
	233,286	222,290

14. Other income

	2017 USD	2016 USD
Bank interest	451	200
Profit on disposal of investment	88,771	-
	89,222	200

15. Operating expenses

	2017 USD	2016 USD
Website management fees	86,408	80,154

16. Administrative expenses

	2017 USD	2016 USD
Licence fees	1,750	1,750
Annual domiciliation and management fees	2,300	2,300
Professional fees	8,319	15,354
	12,369	19,404

17. Finance costs

	2017 USD	2016 USD
Bank charges	1,016	1,067

18. Taxation

The company has been established as a Category 1 Global Business Licence Company under the Financial Services Act 2007 and is liable to tax at the rate of 15% on profits adjusted for tax purposes. It is however, entitled to a tax credit equivalent to the higher of the foreign taxes paid and 80% of the Mauritius tax on its foreign source income. Interest income from call and deposit accounts held with any bank under the Banking Act 2004 are exempt from tax. There is no tax payable for the year ended 31 March 2017 owing to carry forward tax losses.

(a) The tax computation is as follows:

	2017 USD	2016 USD
Profit before tax	222,715	121,865
Less: Profit on disposal of investment	(88,771)	-
Bank interest	(451)	(200)
Adjusted profit for tax purposes	133,493	121,665
Accumulated tax losses brought forward	(306,666)	(1,079,807)
Add: loss lapsed after 5 years	153,961	651,476
Tax losses carried forward	(19,212)	(306,666)

(b) Tax charge

	2017 USD	2016 USD
Withholding tax paid	12,311	6,952

(c) Deferred tax arises on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. The temporary differences are reviewed at each reporting date and deferred tax is recognised if significant. No deferred tax has been recognised for the year ended 31 March 2017.

19. Related party disclosures

The company enters into transactions with companies that fall within the definition of a related party as contained in International Accounting Standard 24 "Related Party Disclosures".

Related parties comprise companies under common ownership and/or common management control, associates and shareholders.

19. **Related party disclosures (Cont'd)**

During the year, the Company had the following transactions and balances with related parties:

Year ended 31 March 2017

Name of Company	Nature of Relationship	Nature of transactions	Volume of transactions USD	Balances USD
Datamatics Global Services Ltd	Common management	Revenue	122,507	122,507
Datamatics Global Services Ltd	Common management	Trade payables	(23,801)	(51,579)
Datamatics Global Services Ltd	Common management	Operating expenses	86,408	-

Year ended 31 March 2016

Name of Company	Nature of Relationship	Nature of transactions	Volume of transactions USD	Balances USD
Datamatics Global Services Ltd	Common management	Revenue	119,528	119,528
Datamatics Global Services Ltd	Common management	Trade payables	(27,778)	(27,778)
Datamatics Global Services Ltd	Common management	Operating expenses	80,154	-

20. **Financial risk management**

20.1 **Financial risk factors**

The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk (including interest rate risk and currency risk)

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

20. Financial risk management (Cont'd)

20.1 Financial risk factors (Cont'd)

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

(a) Credit risk

The Company takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Financial assets which potentially subject the Company to concentrations of credit risk consist principally of trade and other receivables and cash and cash equivalents, which are held with the reputed banks. Credit risk relates to trade and other receivables and are managed as stated below. Hence, the Company is not exposed to significant risk.

Management of credit risk

The Company's policy over credit risk is to minimise its exposure to counterparties with perceived higher risk of default by dealing only with counterparties meeting the required credit standards. Credit risk is monitored on a daily basis by the directors.

The Company's exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarised below:

Assets	2017 USD	2016 USD
Trade receivables	132,667	137,287
Cash at bank	304,138	53,145

The financial assets are neither past due, nor impaired at the reporting date.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they become due without incurring unacceptable losses or risking damage to the Company's reputation.

The Company is not exposed to significant liquidity risk. The table below summarised the maturity profile of the Company's financial liabilities at 31 March based on contractual undiscounted payments:

	On demand 2017 USD	Total 2017 USD	On demand 2016 USD	Total 2016 USD
Redeemable preference shares	12,750,000	12,750,000	13,150,000	13,150,000
Trade and other payables	56,184	56,184	31,008	31,008

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20. **Financial risk management (Cont'd)**

20.1 **Financial risk factors (Cont'd)**

(c) **Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the company's income or the value of its holdings of financial instruments. The objective market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Interest rate risk

At the reporting date the Company is not exposed to interest rate risk as it does not have any interest-bearing asset or liability.

(ii) Currency risk

The Company's exposure to foreign currency risk arises where it holds financial assets and financial liabilities denominated in a currency different from its functional currency. The Company is not exposed to currency risks as all its financial assets and financial liabilities are denominated in its functional currency, the US Dollar.

20.2 **Capital risk management**

The company's objectives when managing capital are:

- to safeguard the company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefit for other stakeholders; and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

Capital comprises of equity. In order to maintain or adjust the capital structure, the company may issue need shares or have recourse to its parent for funding, sell its investment or vary the amount of dividends or refrein capital to the shareholder.

20.3 **Fair value of financial instruments**

Fair value hierarchy

IFRS 13 requires disclosures relating to fair value measurements using a three level fair value hierarchy. The level within which the fair value management is categorised in its entirety is determined on the basis of the lowest input that is significant to the fair value measurement. Assessing the significance of a particular input requires judgement, considering factors specific to the asset or liability. The following table shows financial instruments recognised at fair value, categorised between those whose fair value is based on:

Level 1 Quoted prices (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

20. **Financial risk management (Cont'd)**

20.3 **Fair value of financial instruments (Cont'd)**

Fair value hierarchy (Cont'd)

If the fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs that measurement is a level 3 measurement.

The determination of what constitutes 'observable' requires significant judgement by the company. The company considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

As at 31 March 2017, the carrying amounts of financial assets and financial liabilities shown on the statement of financial position represent or approximate their fair values.

The following tables set out the fair values of financial instruments that are analysed by the level in the fair value hierarchy into which each fair value measurement is categorised:

2017	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Trade and other receivables	-	-	132,667	132,667
Cash and cash equivalents	-	-	304,138	304,138
Redeemable preference shares	-	-	12,750,000	12,750,000
Trade and other payables	-	-	56,184	56,184

2016	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Trade and other receivables	-	-	137,287	137,287
Cash and cash equivalents	-	-	53,145	53,145
Redeemable preference shares	-	-	13,150,000	13,150,000
Trade and other payables	-	-	31,008	31,008

21. **Parent and ultimate parent company**

The parent company is Datamatics Global Services Limited and the ultimate holding company is Delta Infosolutions Private Limited, both companies incorporated in India and having registered address of Knowledge Centre, Plot No. 58, Street No. 17, MIDC, Andheri (East) Mumbai-400093.

22. **Events after reporting date**

There have been no material events after the reporting date which require disclosure or amendment to the financial statements for the year ended 31 March 2017.