

M L BHUWANIA AND CO LLP

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To,
The Members of DATAMATICS DIGITAL LIMITED

Report on the Audit of the financial statements

Opinion

We have audited the accompanying financial statements of DATAMATICS DIGITAL LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

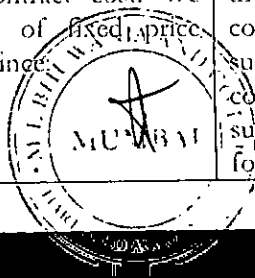
Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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 opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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
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	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:



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<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. 	<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. • 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.
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Key Audit Matter

Auditor's Response

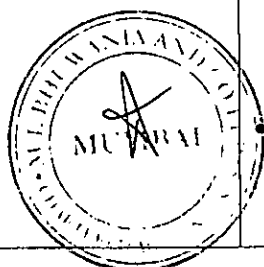
B. Transactions with Related Parties

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.

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.



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Management's Responsibility for the financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance, 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. 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 financial statements that give a true and fair view and 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.

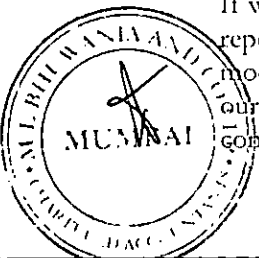
The Board of Directors are responsible for overseeing the Company's financial reporting process.

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 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 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 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. Under section 143(3)(i) of the Companies Act, 2013, 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 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.



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- 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.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, 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, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 does not have any pending litigations which would impact its financial position;

The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

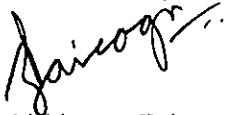
There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.



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- (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 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: 20109931AAAAAN1076

Place: Mumbai
Date: May 13, 2020

F- 11, 3rd Floor, Manek Mahal,
90, Veer Nariman Road, Churchgate,
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ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2 of 'Report on other Legal and Regulatory Requirements' in our Report of even date on the accounts of DATAMATICS DIGITAL LIMITED for the year ended March 31, 2020

- i. (a) The Company is generally maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The fixed assets of the Company are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and discrepancies noticed between the book records and the physical inventories were not material and have been properly dealt with in the accounts.

(c) The Company does not have any immovable properties. Accordingly, clause 3 (i) (c) of the Order is not applicable to the Company.
- ii. The Company's nature of operations does not require it to hold inventories. Consequently, clause 3(ii) of the order is not applicable.
- iii. The Company has not granted loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Hence sub clauses (a) to (c) of clause 3(iii) are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Companies Act, 2013 in respect of loans and investments made and there were no securities and guarantees given during the year.
- v. 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) 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) 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, duty of custom, duty of excise duty, value added tax, cess, Goods & Service 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, 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Custom Duty, Excise Duty, Value Added Tax and Cess which have not been deposited on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not taken any loan or borrowing from banks, government, financial institutions and has not issued debentures during the year. Accordingly, clause 3 (viii) of the Order is not applicable to the Company.
- ix. 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.

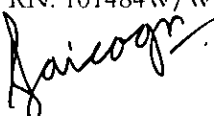


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- x. To the best of our knowledge and according to the information and explanation given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the 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 Companies Act, 2013.
- xii. In our opinion and according to the information and explanations given 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 explanation given to us, and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sec 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. In our opinion and according to the information and explanations given 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. In our opinion and 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. 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
UIDIN: 20109931AAAAAN1076

Place: Mumbai
Date: May 13, 2020

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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")

We have audited the internal financial controls over financial reporting of DATAMATICS DIGITAL LIMITED ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's 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 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, applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

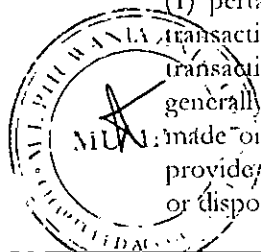
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal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

We believe that the audit evidence we have obtained 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.

Continuation Sheet....



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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.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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.

For M L BHUWANIA AND CO LLP
Chartered Accountants
FRN: 101484W/W100197



Ashishkumar Bairagra
Partner

Membership No. 109931
UDIN: 20109931AAAAAN1076

Place: Mumbai
Date: May 13, 2020

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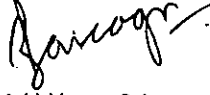
Datamatics Digital Limited
Standalone Financial statements as at and for the year ended March 31, 2020

Balance Sheet as at March 31, 2020

(Amount in INR)

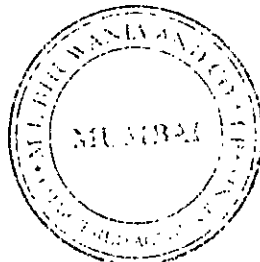
Particulars	Note	March 31, 2020	March 31, 2019
ASSETS			
Non-current assets			
Property, Plant and Equipment	2	11,982,258	5,482,485
Other intangible assets	3	1,377,517	3,133,355
Financial assets			
i. Investments	4	74,677,557	74,677,557
ii. Other financial assets	5	6,744,500	5,484,500
Deferred tax assets	6(c)	8,739,005	22,514,125
Non-current tax assets	7	14,044,646	11,511,586
Total non-current assets		117,565,483	122,803,608
Current assets			
Financial assets			
i. Investments	8	92,196,659	71,834,995
ii. Trade receivables	9	146,734,853	77,094,427
iii. Cash and cash equivalents	10	29,063,667	21,057,309
iv. Bank balances other than (iii) above	11	100,000	100,000
v. Loans	12	18,327,500	840,000
vi. Other financial assets	13	4,984,819	3,371,104
Current tax assets	14	1,377,116	1,377,117
Other current assets	15	2,342,092	1,332,356
Total current assets		295,126,706	177,007,307
Total Assets		412,692,188	299,810,915
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16(a)	5,500,000	5,500,000
Other equity	16(b)	352,002,662	251,823,422
Total equity		357,502,662	257,323,422
LIABILITIES			
Non-current liabilities			
Provisions	17	21,995,714	14,361,164
Total non-current liabilities		21,995,714	14,361,164
Current liabilities			
i. Trade payables	18		
Dues of Micro and small enterprises		-	-
Dues other than Micro and small enterprises		13,257,884	11,629,166
Provisions	19	3,710,674	2,304,028
Current tax liabilities	20	-	6,265,875
Other current liabilities	21	16,225,254	7,927,260
Total current liabilities		33,193,812	28,126,329
Total liabilities		55,189,526	42,487,493
Total Equity and Liabilities		412,692,188	299,810,915

As per our attached report of even date
For M L BHUWANIA AND CO LLP
Chartered Accountants
Firm Registration No. 101484W/W100197


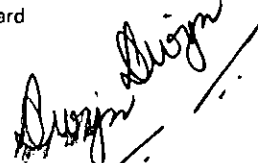

Ashishkumar Bairagra
Partner
Membership No. 109931

Place : Mumbai
Date : May 13, 2020

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90, Veer Nariman Road, Churchgate,
Mumbai - 400 020, India.



For and on behalf of the Board

 
Rahul L. Kanodia Divya Kumat
Director Director
DIN 00075801 DIN 03592056



Datamatics Digital Limited

Standalone Financial statements as at and for the year ended March 31, 2020

Statement of Profit and Loss for the year ended March 31, 2020

Particulars	Note	(Amount in INR)	
		March 31, 2020	March 31, 2019
Revenue from Operations	22	626,718,363	510,615,308
Other Income	23	9,720,273	7,787,588
Total income		636,438,636	518,402,896
Expenses			
Operational Expenses	24	-	-
Employee Benefit Expenses	24	420,787,092	280,764,708
Finance Costs	25	-	44,646
Depreciation and Amortisation Expenses	26	4,530,500	3,873,216
Other Expenses	27	59,914,376	102,854,210
Total expenses		485,231,967	387,536,780
Profit before tax		151,206,669	130,866,117
Tax expense			
- Current tax	6(a)	26,974,379	52,621,494
- Deferred tax	6(a)	16,443,794	(16,426,171)
Total tax expense		43,418,173	36,195,323
Profit for the year		107,788,496	94,670,794

Statement of other comprehensive income (OCI) for the year ended March 31, 2020

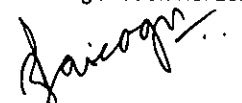
Particulars	Note	(Amount in INR)	
		March 31, 2020	March 31, 2019
<i>Items that will be reclassified to profit or loss</i>			
<i>Items that will not be reclassified to profit or loss</i>			
Actuarial gains and losses		(10,277,930)	(1,416,429)
Tax relating to above		2,668,674	323,954
		(7,609,256)	(1,092,475)
OCI for the year		(7,609,256)	(1,092,475)
Total comprehensive income for the year		100,179,240	93,578,319

Earnings per Equity Share (of Re. 1 each)

Basic and Diluted	33	19.60	17.21
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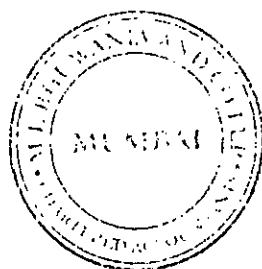
The accompanying notes forming an integral part of the financial statements

As per our attached report of even date
For **M L BHUWANIA AND CO LLP**
Chartered Accountants
Firm Registration No. 101484W/W100197


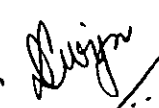

Ashishkumar Bairagra
Partner
Membership No. 109931

Place : Mumbai
Date : May 13, 2020

F- 11, 3rd Floor, Manek Mahal,
90, Vceer Nariman Road, Churchgate,
Mumbai - 400 020, India.



For and on behalf of the Board

 
Rahul L. Kanodia **Divya Kumari**
Director Director
DIN 00075801 DIN 03592056



Datamatics Digital Limited

Standalone Financial statements as at and for the year ended March 31, 2020

Statement of changes in equity for the year ended March 31, 2020

A. Equity share capital

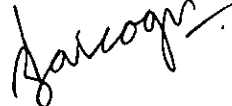
Particulars	(Amount in INR)
As at March 31, 2018	5,500,000
Changes in equity share capital	-
As at March 31, 2019	5,500,000
Changes in equity share capital	-
As at March 31, 2020	5,500,000

B. Other equity


(Amount in INR)

	Reserves and surplus		Other comprehensive income	Total other equity
	Retained earnings	General reserve	Actuarial gains and losses	
As at March 31, 2018	155,624,333	58,951	2,561,819	158,245,103
Profit for the year	94,670,794	-	-	94,670,794
Other comprehensive income	-	-	(1,092,475)	(1,092,475)
As at March 31, 2019	250,295,126	58,951	1,469,344	251,823,422
Profit for the year	107,788,496	-	-	107,788,496
Other comprehensive income	-	-	(7,609,256)	(7,609,256)
As at March 31, 2020	358,083,622	58,951	(6,139,911)	352,002,662

As per our attached report of even date
For M L BHUWANIA AND CO LLP
 Chartered Accountants
 Firm Registration No. 101484W/W100197


Ashishkumar Bairagra
 Partner
 Membership No. 109931

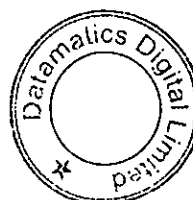
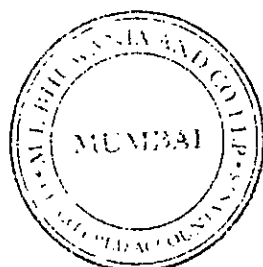
For and on behalf of the Board


Rahul L. Kanodia
 Director
 DIN 00075801


Divya Kumar
 Director
 DIN 03592056

Place : Mumbai
 Date : May 13, 2020

F- 11, 3rd Floor, Manek Mahal,
 90, Veer Nariman Road, Churchgate,
 Mumbai - 400 020, India.



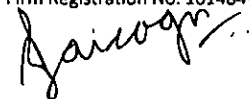


DATAMATICS DIGITAL LIMITED
Standalone Cash flow statement for the year ended March 31, 2020

Amount in Rs.

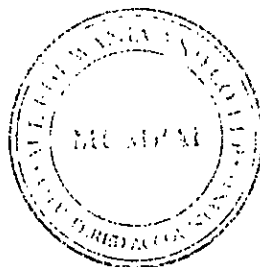
	March 31, 2020	March 31, 2019
A. Cash flow from operating activities		
Profit before tax	151,206,669	130,866,117
Adjustments for :		
Depreciation and amortisation expense	4,530,500	3,873,216
Provision for doubtful debts	792,339	54,853,876
Sundry balance written back	(395,586)	-
Finance cost	-	44,646
Exchange Loss/(Gain)	2,395,795	-
Unrealised gain on fair value of financial assets	(25,953)	(53,247)
Loss / (Profit) on sale of investments	2,115,487	(343,118)
Dividend income	(2,767,094)	(4,638,630)
Interest income	(2,767,290)	(358,079)
Operating profit before working capital changes	155,084,866	184,244,781
Adjustments for :		
Increase in trade receivables	(72,815,309)	(6,979,773)
(Increase) / Decrease in loans	(17,487,500)	(840,000)
Increase in other financial assets	(281,196)	(998,000)
Decrease / (Increase) in other non-financial assets	(1,260,000)	1,144,321
Decrease / (Increase) in current assets	(1,009,736)	1,457,246
Increase in trade payables	2,011,053	8,700,004
Decrease / (Increase) in provisions	(1,236,734)	1,689,597
Decrease in other financial and non-financial liabilities	8,297,995	2,771,009
Cash generated from operations	71,303,438	191,189,184
Direct taxes paid (net)	(35,773,313)	(44,695,280)
Net cash flow from operating activities (A)	35,530,125	146,493,905
B. Cash flow from investing activities		
Purchase of fixed assets / capital work-in-progress	(9,039,626)	(5,909,184)
Movement in fixed deposit balance	-	17,749,812
Purchase of Intangible Assets	(234,809)	(2,689,763)
Purchase of current investments	(203,861,664)	(218,638,630)
Investment in subsidiary	-	(74,460,000)
Sale of current investments	181,410,467	147,200,000
Dividend received	2,767,094	4,638,630
Interest received	1,434,770	422,191
Net cash flow used in investing activities (B)	(27,523,768)	(131,686,943)
C. Cash flow from financing activities	-	-
Net cash flow used in financing activities (C)	-	-
Net cash flow during the year (A+B+C)	8,006,358	14,806,962
Cash and cash equivalents at the beginning of the year	21,057,309	6,250,347
Net cash and cash equivalents at the end of the year (Refer Note No. 10)	29,063,667	21,057,309

As per our attached report of even date
For **M L BHUWANIA AND CO LLP**
Chartered Accountants
Firm Registration No. 101484W/W100197

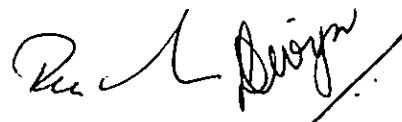

Ashishkumar Bairagra
Partner
Membership No. 109931

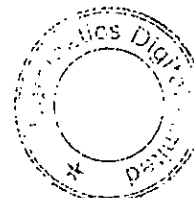
Place : Mumbai
Date : May 13, 2020

F- 11, 3rd Floor, Manek Mahal,
90, Veer Nariman Road, Churchgate,
Mumbai - 400 020, India.



For and on behalf of the Board


Rahul Kanodia **Divya Kumari**
Director Director
DIN 00075801 DIN 03592056



Note 1: Significant accounting policies

a) Company Overview

The Company was incorporated on December 27, 2005 with the Registrar of Companies, Karnataka in the name of M/s. Techjini Solutions Private Limited [the "Company"] vide Certificate of Incorporation No. U72200KA2005PTC038061 issued under the provisions of erstwhile Companies Act, 1956. Recently, the Company has changed its name from "Techjini Solutions Private Limited" to "Datamatics Digital Limited" by converting the Company from private limited to public limited company vide Certificate of Incorporation No. U72200KA2005PLC038061 and the same has been registered with the Registrar of Companies as on November 15, 2017 under the provisions of prevailing Companies Act, 2013.

With effect from July 01, 2017 the Company is a 71.09% owned subsidiary of M/s. Datamatics Global Services Limited, India (DGSL) a public limited company incorporated and domiciled in India and has its registered office at Mumbai, Maharashtra, India. In the previous year, DGSL acquired additional 10% stake in the Company. During the year, DGSL acquired balance stake in the company. DGSL is now holding 100% stake in the company.

b) Significant Accounting Policies

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 13, 2020.

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 or amortised cost;
- * 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.

c) 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

d) 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, 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 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.

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.

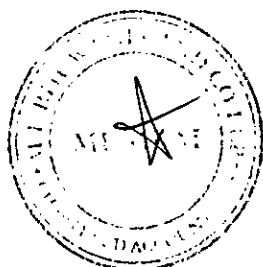
Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

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.

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 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.



f) **Taxation**

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

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.

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.

g) **Leases**

Finance Lease

Assets taken on lease by the Company in its capacity as lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognised for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Operating lease

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating lease. Operating lease payments are recognised on a straight line basis over the lease term in statement of profit and loss, unless the lease agreement explicitly states that increase is on account of inflation.

h) **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.

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 Company 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 Company 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 Company'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**

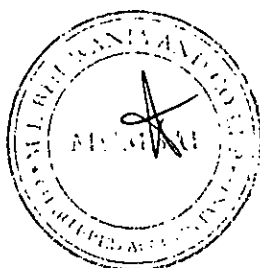
At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at 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.



88

* **Impairment of investments in subsidiaries:** 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 joint venture which is valued 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 29 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 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.

n) Property, Plant and Equipment

Property, plant and equipments (Fixed assets) are stated at cost of acquisition less accumulated depreciation thereon. Direct costs attributable in bringing the assets to its working condition for intended use are capitalised as cost of acquisition. Borrowing cost directly attributable to acquisition of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised.

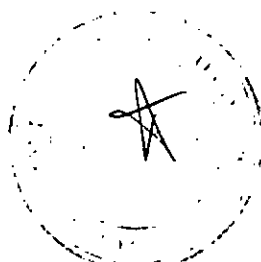
Depreciation methods, estimated useful lives and residual value

During the year the company changed depreciation method from written down value method to straight line method. Now property, plant and equipment is amortised over useful period of life as stated in Schedule II of the Companies Act, 2013. The impact due to change in depreciation method is taken retrospectively and given effect in the Statement of Profit & Loss.

o) Intangible assets

i) Computer software

The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.



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Datamatics Digital Limited
Notes to Standalone financial statements

ii) Amortisation methods and periods

The Company amortises intangible assets with a finite useful life using the straight-line method as following :

Particulars	Useful Life
Other intangible assets	3 years

p) 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.

s) 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.

t) 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.

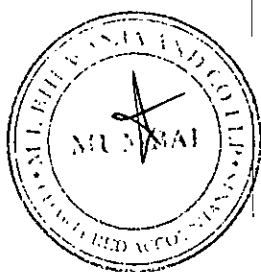
u) Contributed equity

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 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.



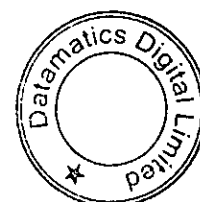
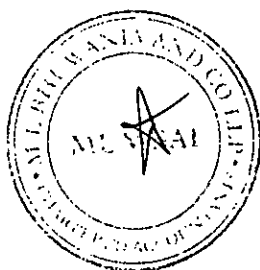
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Datamatics Digital Limited
Standalone Financial statements as at and for the year ended March 31, 2020

2 Note 2 - Property, plant and equipment

(Amount in INR)

Particulars	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Total
<i>Gross block</i>					
As at March 31, 2018	1,071,797	568,848	2,785,696	15,360,594	19,786,935
Additions	34,500	-	551,063	5,323,620	5,909,183
Disposals	-	-	-	-	-
As at March 31, 2019	1,106,297	568,848	3,336,759	20,684,214	25,696,117
Additions	-	-	992,855	8,046,771	9,039,626
Transfer	14,450	-	(11,950)	(3,502)	(1,002)
As at March 31, 2020	1,120,747	568,848	4,317,664	28,727,483	34,734,742
<i>Accumulated depreciation</i>					
As at March 31, 2018	630,715	476,333	2,277,724	13,962,829	17,347,601
Depreciation charge during the year	119,787	27,755	272,958	2,445,531	2,866,031
Disposals	-	-	-	-	-
As at March 31, 2019	750,502	504,088	2,550,682	16,408,360	20,213,632
Depreciation charge during the year	(175,512)	(30,400)	269,068	3,065,049	3,128,205
Transfer	-	-	10,047	(599,400)	(589,353)
Disposals	-	-	-	-	-
As at March 31, 2020	574,990	473,688	2,829,797	18,874,008	22,752,484
Net carrying amount as at March 31, 2020	545,757	95,160	1,487,867	9,853,474	11,982,258
Net carrying amount as at March 31, 2019	355,795	64,760	786,077	4,275,854	5,482,485

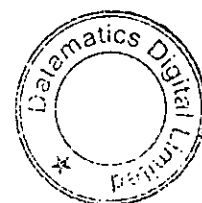
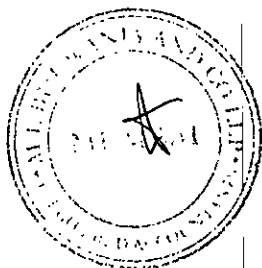


Datamatics Digital Limited

Standalone Financial statements as at and for the year ended March 31, 2020

3 Note 3 - Intangible assets

(Amount in INR)		
Particulars	Computer Softwares	Total
<i>Gross block</i>		
As at March 31, 2018	3,712,403	3,712,403
Additions	2,689,762	2,689,762
Disposals	-	-
As at March 31, 2019	6,402,165	6,402,165
Additions	234,809	234,809
Transfers	1,002	1,002
As at March 31, 2020	6,637,976	6,637,976
(Amount in INR)		
Particulars	Computer Softwares	Total
<i>Accumulated amortisation and impairment</i>		
As at March 31, 2018	2,261,626	2,261,626
Amortisation charge during the year	1,007,185	1,007,185
As at March 31, 2019	3,268,811	3,268,811
Amortisation charge during the year	1,402,295	1,402,295
Transfer	589,353	589,353
As at March 31, 2020	5,260,459	5,260,459
Net carrying amount as at March 31, 2020	1,377,517	1,377,517
Net carrying amount as at March 31, 2019	3,133,355	3,133,355



Datamatics Digital Limited
Standalone Financial statements as at and for the year ended March 31, 2020

Note 4 - Investments (Non-current)

Particulars	(Amount in INR)	
	March 31, 2020	March 31, 2019
Investment in equity instruments (fully paid-up)		
In subsidiaries - wholly owned - unquoted (at cost)		
40,000 (40,000) Equity shares of USD 0.1 each of M/s. TechJini Inc.	217,557	217,557
In subsidiaries - unquoted (at cost)		
51,000 (51,000) equity shares of Datamatics Staffing Services Limited of Rs. 10/- each	74,460,000	74,460,000
Total	74,677,557	74,677,557
Aggregate amount of unquoted investments	74,677,557	74,677,557

Note 5 - Other financial assets (non-current)

Particulars	(Amount in INR)	
	March 31, 2020	March 31, 2019
Security deposits	6,744,500	5,484,500
Total	6,744,500	5,484,500

Note 7 - Non-current tax assets

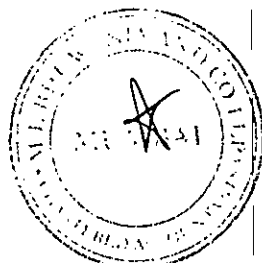
Particulars	(Amount in INR)	
	March 31, 2020	March 31, 2019
Advance Tax & TDS (net of provision)	14,044,646	11,511,586
Total	14,044,646	11,511,586

Note 8 - Investments (Current)

Particulars	(Amount in INR)	
	March 31, 2020	March 31, 2019
Investment in mutual funds		
Quoted (at Fair Value through Profit & Loss) (FVTPL)		
Nil (7,118,577) unites of Franklin India Ultra Short Bond Fund - Super Institutional Plan - Daily Dividend Re-investment of Rs. 10 each	-	71,834,995
88,285 (Nil) units of Franklin India Overnight Fund - Growth Option Rs. 1000/- each	92,196,659	
Total	92,196,659	71,834,995
Aggregate amount of quoted investments	92,196,659	71,834,995
Aggregate market value of quoted investments	92,196,659	71,834,995

Note 9 - Trade receivables

Particulars	(Amount in INR)	
	March 31, 2020	March 31, 2019
Unsecured		
Considered Good	146,734,853	96,383,305
Less :- Allowance for doubtful trade receivable (Refer Note No. 29)	-	19,288,878
	146,734,853	77,094,427
Credit impaired	1,517,952	35,564,998
Less :- Allowance for expected credit loss (Refer Note No. 29)	1,517,952	35,564,998
Total	146,734,853	77,094,427



Note 10 - Cash and cash equivalents

Particulars	(Amount in INR)	
	March 31, 2020	March 31, 2019
Balance with bank		
- In current account	29,043,413	21,000,221
Cash on hand	20,253	57,088
Total	29,063,667	21,057,309

Note 11 - Other bank balances

Particulars	(Amount in INR)	
	March 31, 2020	March 31, 2019
Balances with bank in deposit accounts	100,000	100,000
Total	100,000	100,000

Note 12 - Loans (Current)

Particulars	(Amount in INR)	
	March 31, 2020	March 31, 2019
(Unsecured, Considered Good, unless specified otherwise)		
Others-		
Loan to subsidiary (Refer note No. 31)*	18,000,000	-
Loan to Employees	327,500	840,000
Total	18,327,500	840,000

* The loan is given to subsidiary for meeting working capital requirements. The loan is repayable on demand. Rate of interest is 8.40%

Note 13 - Other financial assets (current)

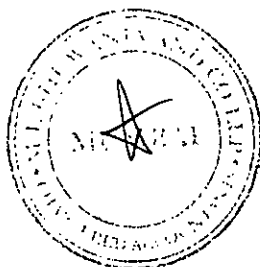
Particulars	(Amount in INR)	
	March 31, 2020	March 31, 2019
Advances to related parties (Refer Note No. 31)	2,905,015	-
Others-		
Interest accrued	1,333,744	1,224
Unbilled Revenue	746,061	3,369,880
Total	4,984,819	3,371,104

Note 14 - Current tax assets

Particulars	(Amount in INR)	
	March 31, 2020	March 31, 2019
Advance Tax & TDS	1,377,116	1,377,117
Total	1,377,116	1,377,117

Note 15 - Other current assets

Particulars	(Amount in INR)	
	March 31, 2020	March 31, 2019
Advance to vendors	1,295,820	135,407
Advance to employees	47,216	62,485
Prepaid expenses	999,056	1,134,464
Total	2,342,092	1,332,356



88

Datamatics Digital Limited
Standalone Financial statements as at and for the year ended March 31, 2020

Note 6 - Taxation

6(a) - Income tax expense

Particulars	(Amount in INR)	
	March 31, 2020	March 31, 2019
Current tax		
Current tax on profits for the year	24,742,762	53,759,987
Adjustments for current tax of prior periods	2,231,617	(1,138,493)
Total current tax expense	26,974,379	52,621,494
Deferred tax		
Decrease/(increase) in deferred tax assets	16,443,794	(17,050,673)
Adjustments for deferred tax of prior periods	-	624,502
Total deferred tax expense/(benefit)	16,443,794	(16,426,171)
Income tax expense	43,418,173	36,195,323

6(b) - Reconciliation of tax expense and accounting profit multiplied by statutory tax rates

Particulars	(Amount in INR)	
	March 31, 2020	March 31, 2019
Profit for the year	151,206,669	130,866,117
Statutory tax rate applicable	25.17%	29.12%
Tax expense at applicable tax rate	38,055,694	38,108,213
Effects of:		
Items not deductible for tax	699,570	13,001
Prior year True-ups	2,231,617	(513,991)
Change in tax rate & tax law	2,962,327	(284,881)
Exempt Income	(531,036)	(1,127,020)
Income tax expense	43,418,173	36,195,323

6(c) - Deferred tax assets

The balance comprises temporary differences attributable to:

Particulars	(Amount in INR)			
	March 31, 2019	Movement through P&L	Movement through OCI	March 31, 2020
Deferred Tax Assets				
Employee Benefits	4,852,904	(1,051,795)	2,668,674	6,469,784
Provision for doubtful debts	15,973,449	(15,591,411)	-	382,038
Losses	1,290,110	532,426	-	1,822,536
Total Deferred Tax Assets	22,116,462	(16,110,780)	2,668,674	8,674,357
Deferred Tax Liabilities				
Depreciation	(413,168)	328,587	-	(84,581)
Unrealised gain on securities carried at fair value through profit or loss / other comprehensive income	15,506	4,428	-	19,933
Total Deferred Tax Liabilities	(397,662)	333,015	-	(64,648)
Net Deferred Tax	22,514,125	(16,443,794)	2,668,674	8,739,005
Reconciliation to March 31, 2019				
Deferred Tax Assets				
Employee Benefits	3,735,889	793,061	323,954	4,852,904
Provision for doubtful debts	-	15,973,449	-	15,973,449
Losses	1,525,831	(235,721)	-	1,290,110
Total Deferred Tax Assets	5,261,720	16,530,789	323,954	22,116,462
Deferred Tax Liabilities				
Depreciation	(502,280)	89,112	-	(413,168)
Unrealised gain on securities carried at fair value through profit or loss / other comprehensive income	-	15,506	-	15,506
Total Deferred Tax Liabilities	(502,280)	104,618	-	(397,662)
Net Deferred Tax	5,764,000	16,426,171	323,954	22,514,125



88

Datamatics Digital Limited
Standalone Financial statements as at and for the year ended March 31, 2020

Note 16 - Share capital and other equity

16(a) - Equity share capital

(i) Authorised equity share capital of Rs. 1 each

Particulars	Number of shares	(Amount in INR)
As at March 31, 2018	6,000,000	6,000,000
Increase during the year	-	-
As at March 31, 2019	6,000,000	6,000,000
Increase during the year	-	-
As at March 31, 2020	6,000,000	6,000,000

(ii) Authorised redeemable preference share capital of Rs. 1 each

Particulars	Number of shares	(Amount in INR)
As at March 31, 2018	5,500,000	5,500,000
Increase during the year	-	-
As at March 31, 2019	5,500,000	5,500,000
Increase during the year	-	-
As at March 31, 2020	5,500,000	5,500,000

(iii) Issued, Subscribed and Paid-up equity share capital of Rs. 1 each

Particulars	Number of shares	(Amount in INR)
As at March 31, 2018	5,500,000	5,500,000
Increase during the year	-	-
As at March 31, 2019	5,500,000	5,500,000
Increase during the year	-	-
As at March 31, 2020	5,500,000	5,500,000

(iv) Movements in equity share capital

Particulars	Number of shares	(Amount in INR)
As at March 31, 2018	5,500,000	5,500,000
Other movements	-	-
As at March 31, 2019	5,500,000	5,500,000
Other movements	-	-
As at March 31, 2020	5,500,000	5,500,000

(v) Shares of the company held by holding company

Particulars	(Amount in INR)	
	March 31, 2020	March 31, 2019
Datamatics Global Services Limited	5,500,000	4,459,996

(vi) Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2020		March 31, 2019	
	Number of shares	% Holding	Number of shares	% Holding
Datamatics Global Services Limited	5,500,000	100.00%	4,459,996	81.09%
Mrs. Neelima Mehta	-	0.00%	413,100	7.51%
Mr. Amit Rana	-	0.00%	413,100	7.51%

(iv) Terms / rights attached to equity shares

The Company, at present, has one class of equity shares having a par value of Re. 1 per share. Each shareholder is eligible for one vote per share held. 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.

16(b) - Other equity*

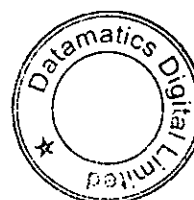
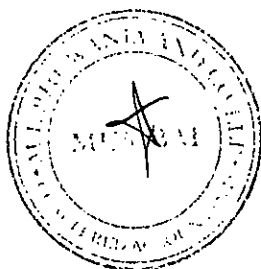
Particulars	(Amount in INR)	
	March 31, 2020	March 31, 2019
Retained earnings	358,083,622	250,295,126
General reserve	Refer Note (i) below 58,951	58,951
OCI -	-	-
Actuarial gains and losses	(6,139,911)	1,469,344
Total	352,002,662	251,823,422

* For movement, please refer statement of changes in equity

Nature of reserves

(i) 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.



88

Datamatics Digital Limited

Standalone Financial statements as at and for the year ended March 31, 2020

Note 17 - Provisions (Non-current)		(Amount in INR)	
Particulars	March 31, 2020	March 31, 2019	
Unfunded (Refer Note 34)			
<u>Provisions for employee benefits</u>			
Gratuity	12,797,881	9,092,129	
Leave Encashment	9,197,833	5,269,035	
Total	21,995,714	14,361,164	

Note 18 - Trade payables		(Amount in INR)	
Particulars	March 31, 2020	March 31, 2019	
Dues of Micro and small enterprises	-	-	
Dues other than Micro and small enterprises	13,257,883	11,629,166	
Total	13,257,883	11,629,166	

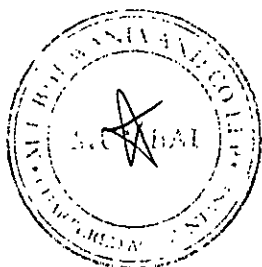
Micro, Small and Medium enterprises have been identified by the Company on the basis of the information available. Total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are given below :

Particulars	March 31, 2020	March 31, 2019	
(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	-	-	
(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	-	-	
Total	-	-	

Note 19 - Provisions (Current)		(Amount in INR)	
Particulars	March 31, 2020	March 31, 2019	
Unfunded (Refer Note 34)			
<u>Provisions for employee benefits</u>			
Gratuity	325,261	322,430	
Leave Encashment	3,385,413	1,981,598	
Total	3,710,674	2,304,028	

Note 20 - Current tax liabilities		(Amount in INR)	
Particulars	March 31, 2020	March 31, 2019	
Advance Tax & TDS (net of provision)	-	6,265,875	
Total	-	6,265,875	

Note 21 - Other current liabilities		(Amount in INR)	
Particulars	March 31, 2020	March 31, 2019	
Statutory dues (net)	12,070,903	6,332,739	
Unearned Revenue	4,154,352	1,594,521	
Total	16,225,254	7,927,260	



Datamatics Digital Limited
Standalone Financial statements as at and for the year ended March 31, 2020

Note 22 - Revenue from operations		(Amount in INR)	
Particulars	March 31, 2020	March 31, 2019	
Sale of Services	626,718,363	510,615,308	
Total	626,718,363	510,615,308	

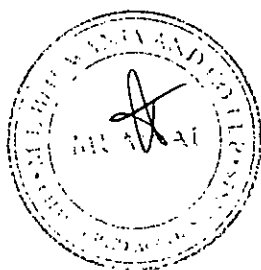
Note 23 - Other Income		(Amount in INR)	
Particulars	March 31, 2020	March 31, 2019	
Interest received	2,767,290	358,079	
Dividend on share investment	2,767,094	4,638,630	
Profit on sale of investments	-	343,118	
Sundry balances written back	395,586	-	
Unrealised gain on fair value of financial assets	25,953	53,247	
Exchange gain (net)	3,764,350	2,394,514	
Total	9,720,273	7,787,588	

Note 24 - Employee benefit expenses		(Amount in INR)	
Particulars	March 31, 2020	March 31, 2019	
Salary, Wages & Allowances	408,888,522	271,253,879	
Contribution towards Provident & Other funds	7,407,726	5,345,508	
Staff Welfare expenses	4,490,844	4,165,321	
Total	420,787,092	280,764,708	

Note 25 - Finance costs		(Amount in INR)	
Particulars	March 31, 2020	March 31, 2019	
Interest on income tax	-	44,646	
Total	-	44,646	

Note 26 - Depreciation and Amortisation Expenses		(Amount in INR)	
Particulars	March 31, 2020	March 31, 2019	
Depreciation on property plant and equipment	3,128,205	2,866,031	
Amortisation on intangible assets	1,402,295	1,007,185	
Total	4,530,500	3,873,216	

Note 27 - Other expenses		(Amount in INR)	
Particulars	March 31, 2020	March 31, 2019	
Technical fees	3,977,364	14,461,017	
Travelling expenses	15,379,202	7,592,661	
Recruitment charges	3,715,435	2,850,694	
Rent	15,230,545	9,445,002	
Electricity expenses	2,720,925	1,898,675	
Communication charges	657,483	658,133	
Rates & Taxes	100,010	140,178	
Water charges	176,704	-	
Legal & Professional expenses	3,443,745	3,031,429	
Audit fees (Refer Note No. 37)	482,500	630,668	
Link Charges	317,825	-	
Insurance	3,842	48,385	
Vehicle expenses	605,920	78,005	
Repairs & Maintenance expenses	668,282	439,404	
Software Maintenance expenses	553,499	756,930	
Hire charges	594,218	114,065	
Printing & Stationery	153,270	62,578	
Subscription expenses	2,991,077	4,077,019	
Entertainment Expenses	96,391	-	
Bank Charges	294,998	82,995	
Sales Promotion	204,378	285,321	
Security Charges	1,262,549	764,120	
Bad Debts Written off	54,128,263	-	
Less: Provision for doubtful debts written back	(54,128,263)	-	
Allowance for doubtful debts	792,339	54,853,876	
Loss on sale of investments	2,115,487	-	
CSR Expenses	2,779,601	-	
Miscellaneous expenses	587,454	583,058	
Total	59,914,376	102,854,210	



8

Note 28: Fair value measurements

Financial Instruments by category

(Amount in INR)

	March 31, 2020			March 31, 2019		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Mutual funds	92,196,659	-	-	71,834,995	-	-
Trade receivables	-	-	146,734,853	-	-	77,094,427
Cash and cash equivalents	-	-	29,063,667	-	-	21,057,309
Bank balances other than Cash and cash equivalents	-	-	100,000	-	-	100,000
Security deposit	-	-	6,744,500	-	-	5,484,500
Loan to Employees	-	-	327,500	-	-	840,000
Loan to Subsidiary	-	-	18,000,000	-	-	-
Unbilled Revenue	-	-	746,061	-	-	3,369,880
Advance to related parties	-	-	2,905,015	-	-	-
Interest Accrued	-	-	1,333,744	-	-	1,224
Total financial assets	92,196,659	-	205,955,339	71,834,995	-	107,947,340
Financial liabilities						
Trade payables	-	-	13,257,884	-	-	11,629,166
Total financial liabilities	-	-	13,257,884	-	-	11,629,166

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.

Financial assets and liabilities measured at fair value At March 31, 2020	(Amount in INR)			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVPL				
Mutual funds	92,196,659	-	-	92,196,659
Total financial assets	92,196,659	-	-	92,196,659
Financial assets and liabilities measured at fair value At March 31, 2019				
Financial assets				
Financial Investments at FVPL				
Mutual funds	71,834,995	-	-	71,834,995
Total financial assets	71,834,995	-	-	71,834,995

There are no transfers between levels 1 and 2 during the year.

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.

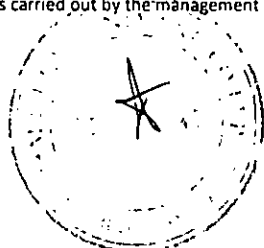
Note 29: Financial risk management

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

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



8

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, 2020 and March 31, 2019 is the carrying value of such trade receivables as shown in note 9 of the financials.

Reconciliation of loss allowance provision – Trade receivables

Particulars	Amount in INR
Loss allowance on March 31, 2018	-
Changes in loss allowance	54,853,876
Loss allowance on 31 March 2019	54,853,876
Changes in loss allowance	(53,335,924)
Loss allowance on 31 March 2020	1,517,952

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.

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.

a) Foreign currency risk exposure:

Details of foreign currency exposures not covered by derivative instruments as at March 31, 2020 and March 31, 2019 are given below :

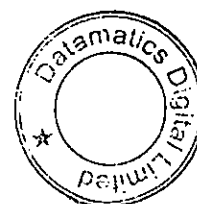
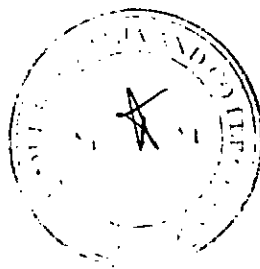
Particulars	Currency	March 31, 2020		March 31, 2019	
		Foreign Currency	Amount in Rs.	Foreign Currency	Amount in Rs.
Receivables	USD	870,570	65,806,416	1,022,424	70,690,417
	GBP	8,500	796,110	1,500	135,075
	AUD	343,038	15,875,785	431,276	21,154,088

b) Sensitivity

The Company is mainly exposed to changes in USD, AUD and GBP. The sensitivity analysis demonstrate a reasonably possible change in USD, GBP and AUD exchange rates, with all other variables held constant. 5% appreciation/depreciation of USD, AUD and GBP with respect to functional currency of the company will have impact of following (decrease)/increase in Profit & vice versa.

Particulars	(Amount in INR)	
	March 31, 2020	March 31, 2019
USD	3,290,321	3,534,520
GBP	39,806	6,754
AUD	793,789	1,057,704

* Holding all other variables constant



8

Datamatics Digital Limited

Notes forming part of the standalone financial statements

Note 30: 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.

Since there are no borrowings, capital gearing ration is not applicable.

Note 31: 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

Techjini Inc

Datamatics Staffing Services Limited (w.e.f. March 18, 2019)

(B) Key Managerial Personnel

Mr. Amit Rana, Director (resigned w.e.f. August 31, 2019)

Mr. Shyamal Mehta, Director (resigned w.e.f. August 31, 2019)

Mr. Rahul Lalit Kanodia, Nominee Director

Ms. Divya Kumat, Nominee Director

Mr. Sanjeev Manohar Subhedar, Nominee Director

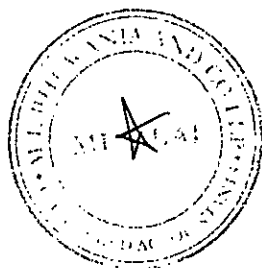
(C) Relatives of Key Managerial Personnel and Enterprise owned by Key Managerial Personnel

Datamatics Business Solutions Limited

Datamatics Global Services Pty Ltd.

(D) Holding Company

Datamatics Global Services Limited



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Datamatics Digital Limited
Notes forming part of the standalone financial statements

Related party transactions made during the year

(Amount in INR)

Nature of transaction	Nature of relationship	March 31, 2020	March 31, 2019
Income from services rendered			
TechJini Inc.	Subsidiary Company	143,913,458	129,179,966
Remuneration and other emoluments paid			
Mr. Amit Rana	Key management personnel	9,160,496	8,978,400
Mr. Shyamal Mehta	Key management personnel	9,160,496	8,978,400
Reimbursement of expense received			
TechJini Inc.	Subsidiary Company	-	2,377,798
Reimbursement of expense paid			
Datamatics Global Services Limited	Holding Company	6,666,670	7,315
Datamatics Business Solutions Limited	Entity controlled by KMP	-	38,880
Professional charges paid			
Datamatics Business Solutions Limited	Entity controlled by KMP	33,000	-
Loan Given			
Datamatics Staffing Services Limited	Subsidiary Company	18,000,000	-
Interest received			
Datamatics Staffing Services Limited	Subsidiary Company	1,330,230	-

Amount due to / from related parties as at Balance Sheet date

(Amount in INR)

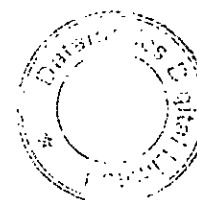
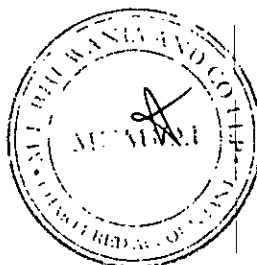
Nature of transaction	Nature of relationship	March 31, 2020	March 31, 2019
Trade receivables			
TechJini Inc.	Subsidiary Company	51,110,145	21,368,503
Datamatics Global Services Limited	Holding Company	720,000	-
Reimbursement of expenses receivable			
Datamatics Global Services Limited	Holding Company	2,657,950	-
Datamatics Global Services Pty Limited	Entity controlled by KMP	246,594	-
Datamatics Business Solutions Limited	Entity controlled by KMP	2,700	-
Interest receivable			
Datamatics Staffing Services Limited	Subsidiary Company	1,330,230	-
Loan to subsidiary			
Datamatics Staffing Services Limited	Subsidiary Company	18,000,000	-

Note 32: Leases

The Company's leasing arrangements are in respect of office premises. The aggregate lease rentals of Rs. 15,230,545 (March 2019: Rs. 9,445,002) are charged as Rent and shown under the Note No. 27 "Other Expenses". These leasing arrangements, which are cancellable, range between 11 months to 3 years and are usually renewable by mutual consent at mutually agreed terms and conditions.

Note 33: Earnings per share

Particulars	March 31, 2020	March 31, 2019
(a) Net Profit after taxation attributable to equity shareholders	107,788,496	94,670,794
(b) Weighted average number of outstanding equity shares considered for Basic and Diluted EPS (Nos.)	5,500,000	5,500,000
(c) Earnings per share		
Nominal value per share	1.00	1.00
Basic and Diluted earnings per share (in Rs.) (a/b)	19.60	17.21



Note 34: 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.

		(Amount in Rs.)	
		March 31, 2020	March 31, 2019
i.	Defined Contribution Plan		
	Charge to the Statement of Profit and Loss based on contributions:		
	Employers contribution to provident fund	6,839,818	4,912,422
	Employers contribution to employees' state insurance	29,018	14,296
	Employers contribution to labour welfare fund and others	14,280	-
	Included in contribution to provident fund and other funds (Refer Note No.24)	6,883,116	4,926,718

ii. Defined Benefit Plan

i) Movement in Present Value of Obligation

(Amount in INR)

Particulars	Gratuity		Leave Encashment	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Present Value of Obligation as at the beginning	9,414,559	7,350,914	7,250,633	6,208,252
Current Service Cost	2,320,152	1,759,926	5,302,719	3,022,542
Interest Expense or Cost	721,747	565,618	555,854	477,695
Re-measurement (or Actuarial) (gain) / loss arising from:				
- change in demographic assumptions	(11,974)	-	(5,993)	-
- change in financial assumptions	2,665,101	73,969	1,557,232	35,321
- experience variance (i.e. actual experience vs assumptions)	7,624,803	1,342,460	518,073	640,655
Past Service Cost	-	-	-	-
Benefits Paid	(9,611,246)	(1,678,328)	(2,595,272)	(3,133,832)
Present Value of Obligation as at the end	13,123,142	9,414,559	12,583,246	7,250,633
Present Value of Obligation as at the end - Current	325,261	322,430	3,385,413	1,981,598
Present Value of Obligation as at the end - Non - Current	12,797,881	9,092,129	9,197,833	5,269,035

ii) Expenses recognised in the Income statement and other comprehensive income

(Amount in INR)

Particulars	Gratuity		Leave Encashment	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Current service cost	2,320,152	1,759,926	5,302,719	3,022,542
Past service cost	-	-	-	-
Net interest cost on the net defined benefit liability	721,747	565,618	555,854	477,695
Actuarial (gains) / losses				
- change in demographic assumptions	-	-	(5,993)	-
- Change in financial assumptions	-	-	1,557,232	35,321
- Experience variance	-	-	518,073	640,655
Expenses recognised in Profit & Loss Account	3,041,899	2,325,544	7,927,885	4,176,213
Other Comprehensive Income				
Actuarial (gains) / losses				
- change in demographic assumptions	(11,974)	-	-	-
- Change in financial assumptions	2,665,101	73,969	-	-
- Experience variance	7,624,803	1,342,460	-	-
Expenses recognised in OCI	10,277,930	1,416,429	-	-

iii) Financial Assumptions

The principal financial assumptions used in the valuation are shown in the table below

Particulars	Gratuity		Leave Encashment	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Discount Rate (per annum)	6.30%	7.65%	6.30%	7.65%
Salary growth rate (per annum)	4.50%	4.50%	4.50%	4.50%
Mortality Rate	IALM 12-14	IALM 06-08	IALM 12-14	IALM 06-08

iv) Sensitivity Analysis

(Amount in INR)

Particulars	Gratuity			
	March 31, 2020		March 31, 2019	
	Decrease	Increase	Decrease	Increase
Discount rate (- / + 1%)	15,701,281	11,069,182	11,078,037	8,074,938
Salary growth rate (- / + 1%)	11,039,602	15,491,663	8,183,741	10,885,410
Attrition rate (- / + 50%)	13,827,642	12,612,258	9,228,474	9,573,243
Mortality rate (- / + 10%)	13,109,195	13,137,022	9,392,861	9,436,152

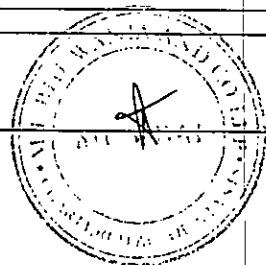
(Amount in INR)

Particulars	Leave Encashment			
	March 31, 2020		March 31, 2019	
	Decrease	Increase	Decrease	Increase
Discount rate (- / + 1%)	14,067,021	11,385,133	8,038,602	6,606,592
Salary growth rate (- / + 1%)	11,356,061	14,080,475	6,582,611	8,057,253
Attrition rate (- / + 50%)	11,619,075	13,223,653	6,377,688	7,840,432
Mortality rate (- / + 10%)	12,576,341	12,590,118	7,243,026	7,258,202

v) Maturity profile of Defined Benefit obligation

(Amount in INR)

Expected Cash flow over the next (valued on undiscounted basis)	Gratuity	Leave Encashment
	Amount	Amount
1 Year	325,261	3,385,413
2 to 5 years	1,646,605	3,581,168
6 to 10 years	2,524,096	1,482,424
More than 10 years	42,742,376	23,281,485



80

Note 35: 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.

		(Amount in INR)	
Contingent Liabilities to the extent not provided for:		March 31, 2020	March 31, 2019
(a)	Contingent Liabilities	-	-
(b)	Capital and other commitments:	-	-

Note 36: Segment information

The principal business of the Company is of providing of mobile and web based technical and software services. All other activities of the company revolve around its main business. Hence no additional disclosure under Ind AS 108 - "Operating Segments" are required in these financial statements.

Note 37: Auditor's remuneration includes

	(Amount in INR)	
	March 31, 2020	March 31, 2019
For services as auditors, including quarterly audits	350,000	550,000
For tax audit	75,000	75,000
For other services	57,500	-
Reimbursement of out of pocket expenses	-	5,668
Total	482,500	630,668

Note 38: Previous year figures

The previous year's figures have been re-grouped / re-classified, 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
Firm Registration No. 101484W/W100197



Ashishkumar Bairagra
Partner
Membership No. 109931

Place : Mumbai
Date : May 13, 2020

F- 11, 3rd Floor, Manek Mahal,
90, Veer Nariman Road, Churchgate.
Mumbai - 400 020, India.

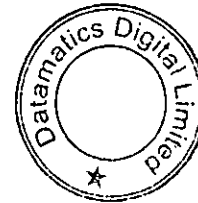


For and on behalf of the Board



Rahul Kanodia
Director
DIN 00075801

Divya Kumár
Director
DIN 03592056



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