

# M L BHUWANIA AND CO LLP

## CHARTERED ACCOUNTANTS

F-11, 3rd floor, Manek Mahal, 90, Veer Nariman Road, Churchgate, Mumbai - 400 020, INDIA.  
T : +91 22 6117 4949 F : +91 22 6117 4950 E : info@mlbca.in W : www.mlbca.in

### INDEPENDENT AUDITOR'S REPORT

To,  
The Board of Directors of  
**DATAMATICS GLOBAL SERVICES FZ LLC**

### Report on the financial statements

#### Opinion

We have audited the accompanying financial statements of **DATAMATICS GLOBAL SERVICES FZ LLC** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, 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"). The accompanying financial statement have been prepared by management in accordance with generally accepted accounting principles applicable in India, solely to enable its holding company, Datamatics Global Service Limited to prepare its consolidated financial statements.

In our opinion, the accompanying financial statements of the entity are prepared, in all material respects, in accordance with the generally accepted accounting principal in India.

#### 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.

#### 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 flow 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.



# M L BHUWANIA AND CO LLP

## CHARTERED ACCOUNTANTS

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.

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.

For and on behalf of  
M L BHUWANIA AND CO LLP  
Chartered Accountants  
FRN: 101484W/W100197

Ashishkumar Bairagra  
Partner

Membership No. 109931  
UDIN: 21109931AAAABO4886  
Place: Mumbai  
Date: May 25, 2021

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




Datamatlcs Global Services FZ LLC  
Financial statements as at March 31, 2021

Balance sheet as at

Particulars	Note	(Amount In AED)		(Amount In INR)	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	2	12,342	13,864	2,45,599	2,85,319
Financial assets					
i. Other financial assets	3	-	9,740	-	2,00,449
<b>Total non-current assets</b>		<b>12,342</b>	<b>23,604</b>	<b>2,45,599</b>	<b>4,85,768</b>
<b>Current assets</b>					
<b>Financial assets</b>					
i. Trade receivables	4	5,85,988	14,44,592	1,16,61,162	2,97,29,710
ii. Cash and cash equivalents	5	36,71,395	31,70,265	7,30,60,759	6,52,44,053
iii. Loans	6	22,38,755	9,17,500	4,45,51,225	1,88,82,150
iv. Other financial assets	7	18,05,902	7,76,828	3,59,37,459	1,59,87,126
Other current assets	8	1,95,727	5,23,763	38,94,976	1,07,79,038
<b>Total current assets</b>		<b>84,97,769</b>	<b>68,32,949</b>	<b>16,91,05,582</b>	<b>14,06,22,077</b>
<b>Total assets</b>		<b>85,10,111</b>	<b>68,56,553</b>	<b>16,93,51,181</b>	<b>14,11,07,845</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Equity share capital	9(a)	50,000	50,000	9,95,000	10,29,000
Other equity	9(b)	68,98,181	62,15,986	13,72,73,790	12,79,24,963
<b>Total equity</b>		<b>69,48,181</b>	<b>62,65,986</b>	<b>13,82,68,790</b>	<b>12,89,53,963</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Provisions	10	83,967	1,08,376	16,70,943	22,30,378
<b>Total non-current liabilities</b>		<b>83,967</b>	<b>1,08,376</b>	<b>16,70,943</b>	<b>22,30,378</b>
<b>Current liabilities</b>					
<b>Financial liabilities</b>					
i. Trade payables	11	11,22,917	2,32,343	2,23,46,057	47,81,609
ii. Other financial liabilities	12	1,46,471	74,324	29,14,779	15,29,580
Provisions	13	1,40,817	80,467	28,02,252	16,56,004
Other current liabilities	14	67,757	95,059	13,48,359	19,56,311
<b>Total current liabilities</b>		<b>14,77,962</b>	<b>4,82,192</b>	<b>2,94,11,447</b>	<b>99,23,504</b>
<b>Total liabilities</b>		<b>15,61,929</b>	<b>5,90,568</b>	<b>3,10,82,390</b>	<b>1,21,53,882</b>
<b>Total equity and liabilities</b>		<b>85,10,111</b>	<b>68,56,553</b>	<b>16,93,51,181</b>	<b>14,11,07,845</b>

Significant accounting policies and notes forming part of the financial statements 1 - 25

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 Kanodia  
Director

  
Divya Kumari  
Director

Place : Mumbai  
Dated : 25th May, 2021

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



**Datamatics Global Services FZ LLC**  
**Financial statements as at March 31, 2021**

**Statement of profit and loss for the year ended March 31, 2021**

Particulars	Note	(Amount in AED)		(Amount in INR)	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Revenue from operations	15	80,54,847	54,21,274	16,25,46,816	10,44,67,942
Other income	16	2,99,977	88,447	60,53,539	17,04,378
<b>Total Income</b>		<b>83,54,824</b>	<b>55,09,721</b>	<b>16,86,00,355</b>	<b>10,61,72,319</b>
<b>Expenses</b>					
Employee benefit expenses	17	51,13,769	42,64,058	10,31,95,852	8,21,68,388
Depreciation and amortisation expense	2	4,522	3,620	91,259	69,766
Other expenses	18	25,54,338	11,13,696	5,15,46,491	2,14,60,887
<b>Total expenses</b>		<b>76,72,629</b>	<b>53,81,374</b>	<b>15,48,33,603</b>	<b>10,36,99,042</b>
<b>Profit before tax</b>		<b>6,82,196</b>	<b>1,28,347</b>	<b>1,37,66,752</b>	<b>24,73,277</b>
Income tax expense		-	-	-	-
<b>Profit for the year</b>		<b>6,82,196</b>	<b>1,28,347</b>	<b>1,37,66,752</b>	<b>24,73,277</b>

**Statement of other comprehensive Income for the year ended March 31, 2021**

Particulars	Note	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Items that will be reclassified to profit or loss					
Foreign Currency Translation reserve		-	-	(44,17,925)	1,08,21,453
		-	-	(44,17,925)	1,08,21,453
Items that will not be reclassified to profit or loss					
		-	-	-	-
<b>OCI for the year</b>		-	-	<b>(44,17,925)</b>	<b>1,08,21,453</b>
<b>Total comprehensive Income for the year</b>		<b>6,82,196</b>	<b>1,28,347</b>	<b>93,48,827</b>	<b>1,32,94,730</b>

**Earnings per Equity Share (of AED 1,000/- each)**

Basic and diluted	20	13,643.92	2,566.93	2,75,335.04	49,465.54
-------------------	----	-----------	----------	-------------	-----------

Significant accounting policies and notes forming part of the financial statements 1 - 25

As per our attached report of even date

**For M L BHUWANIA AND CO LLP**

Chartered Accountants

Firm Registration No. 101484W / W100197

*Ashishkumar Bairagra*  
**Ashishkumar Bairagra**  
 Partner

Membership No. 109931

Place : Mumbai

Dated : 25th May, 2021

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



For and on behalf of the Board

*Rahul Kanodia*

**Rahul Kanodia**  
 Director

*Divya Kumat*

**Divya Kumat**  
 Director



**Datamatics Global Services FZ LLC**  
**Financial statements as at March 31, 2021**

**Statement of changes in equity for the year ended March 31, 2021**

**A. Equity share capital**

Particulars	Amount in AED
As at March 31, 2019	50,000
Changes in equity share capital	-
As at March 31, 2020	50,000
Changes in equity share capital	-
As at March 31, 2021	50,000

**B. Other equity**

(Amount in AED)

(Amount in INR)

Particulars	Reserves and surplus	Total	Reserves and surplus	Other Reserves	Total
	Retained earnings		Retained earnings	Foreign Exchange Translation Reserve	
As at March 31, 2019	60,87,639	60,87,639	10,76,01,958	70,28,275	11,46,30,233
Profit for the year	1,28,347	1,28,347	24,73,277	-	24,73,277
Other comprehensive income	-	-	-	1,08,21,453	1,08,21,453
<b>Total comprehensive income for the year</b>	<b>1,28,347</b>	<b>1,28,347</b>	<b>24,73,277</b>	<b>1,08,21,453</b>	<b>1,32,94,730</b>
As at March 31, 2020	62,15,986	62,15,986	11,00,75,235	1,78,49,728	12,79,24,963
Profit for the year	6,82,196	6,82,196	1,37,66,752	-	1,37,66,752
Other comprehensive income	-	-	-	(44,17,925)	(44,17,925)
<b>Total comprehensive income for the year</b>	<b>6,82,196</b>	<b>6,82,196</b>	<b>1,37,66,752</b>	<b>(44,17,925)</b>	<b>93,48,827</b>
As at March 31, 2021	68,98,181	68,98,181	12,38,41,987	1,34,31,803	13,72,73,790

As per our attached report of even date

**For M L BHUWANIA AND CO LLP**

Chartered Accountants

Firm Registration No. 101484W / W100197

*Ashishkumar Bairagra*

**Ashishkumar Bairagra**

Partner

Membership No. 109931

Place : Mumbai

Dated : 25th May, 2021

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



For and on behalf of the Board

*Rahul Kanodia*

**Rahul Kanodia**  
 Director

*Divya Kumari*

**Divya Kumari**  
 Director

Y

K

Datamatics Global Services FZ LLC

Cash flow statement for the year ended March 31, 2021

	(Amount in AED)		(Amount in INR)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>A. Cash flow from operating activities</b>				
Profit before tax	6,82,196	1,28,347	1,37,66,752	24,73,277
<b>Adjustments for :</b>				
Depreciation and amortisation expense	4,522	3,620	91,259	69,766
Sundry balance written back (net)	-	(53,430)	-	(10,29,596)
Interest income	(51,262)	(14,818)	(10,34,464)	(2,85,546)
Provision for Doubtful Debts	35,932	-	7,25,104	-
<b>Operating profit before working capital changes</b>	<b>6,71,388</b>	<b>63,719</b>	<b>1,35,48,652</b>	<b>12,27,901</b>
<b>Adjustments for :</b>				
Increase in trade receivables	8,22,672	4,85,578	1,73,43,444	66,15,405
Increase in other financial and non-financial assets	(6,40,037)	(3,36,379)	(1,18,55,789)	(86,01,168)
Increase / (decrease) in trade payables	8,90,575	2,08,374	1,75,64,449	43,53,783
Increase in other financial and non-financial liabilities	80,787	96,902	13,64,060	24,51,564
<b>Net cash flow from operating activities</b>	<b>18,25,385</b>	<b>5,18,194</b>	<b>3,79,64,815</b>	<b>60,47,484</b>
<b>B. Cash flow from investing activities</b>				
Purchase of fixed assets	(3,000)	(6,890)	(60,540)	(1,32,770)
Loan given	(13,21,255)	(9,17,500)	(2,56,69,075)	(1,88,82,150)
<b>Net cash flow used in investing activities (B)</b>	<b>(13,24,255)</b>	<b>(9,24,390)</b>	<b>(2,57,29,615)</b>	<b>(1,90,14,920)</b>
Net cash flow during the year	5,01,130	(4,06,196)	1,22,35,200	(1,29,67,436)
Cash and cash equivalents at the beginning of the year	31,70,265	35,76,462	6,52,44,053	6,73,44,772
Exchange difference on translation of foreign currency cash and cash equivalents	-	-	(44,18,494)	1,08,66,717
<b>Net cash and cash equivalents at the end of the year</b>	<b>36,71,395</b>	<b>31,70,266</b>	<b>7,30,60,759</b>	<b>6,52,44,053</b>

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

As per our attached report of even date

For M L BHUWANIA AND CO LLP

Chartered Accountants

Firm Registration No. 101484W / W100197

*Ashishkumar Bairagra*

Ashishkumar Bairagra

Partner

Membership No. 109931

Place : Mumbai

Dated : 25th May, 2021

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



For and on behalf of the Board

*Rahul Kanodia*

Rahul Kanodia

Director

*Divya Kumari*

Divya Kumari

Director



**Datamatics Global Services FZ LLC**

**Notes forming part of Financial Statements**

**Note 1: General Information & Accounting Policies**

**(a) General Information**

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

**(b) Significant Accounting Policies**

**i) Basis of Preparation of Financial Statements:**

**Compliance with Ind AS**

This Financial Statements are prepared as per Indian Accounting Standards (Ind AS), on the accrual basis of accounting and in accordance with generally acceptable accounting principle in India from the books of accounts maintained in AED. The above Financial Statements comprising Balance sheet, the Statement of Profit and Loss (including other Comprehensive Income) and Statement of Equity for the year then ended and a summary of significant accounting policies and a summary of selected explanatory notes have been prepared by Management to enable its Holding Company, Datamatics Global Services Limited to prepare its Consolidated Financial Statements and only relevant disclosures as required for the intended purpose are disclosed.

**ii) Foreign currency translation**

**Functional and presentation currency**

Transactions in foreign currencies are translated into AED at the rate of exchange ruling on the date of the transaction.

Assets and liabilities, expressed in foreign currencies are translated into AED at the rate of exchange ruling at the end of the reporting period.

Resulting profit or loss is taken to the Statement of Profit and Loss.

**iii) 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.

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.

**iv) Property, plant and equipment**

Property, Plant and Equipments are valued at cost after reducing accumulated depreciation until the date of the balance sheet. Direct costs are capitalised until the assets are ready to use and include financing costs relating to any specific borrowing attributable to the acquisition of fixed assets. Capital work-in-progress includes assets not put to use before the year end.

**Depreciation methods, estimated useful lives and residual value**

Depreciation on property, plant and equipment is provided on the Straight Line Method except for leasehold land, leasehold premises and freehold land as per the useful life and in the manner prescribed in Schedule II to Companies Act, 2013.

**v) 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.

**vi) 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.

**vii) Trade receivable**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

**viii) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**(1) Financial Assets**

**(i) Classification**

The Company classifies its financial assets in the following measurement categories:

(a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and

(b) those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

(a) For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

(b) For investments in debt instruments, this will depend on the business model in which the investment is held.

(c) 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.



**(III) Impairment of financial assets**

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime credit losses (ECL) to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

**(iv) Derecognition of financial assets**

A financial asset is derecognised only when -

- (a) The Company has transferred the rights to receive cash flows from the financial asset or
- (b) 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 is recorded on a time proportion basis taking into account the amounts invested and the rate of interest.

**(2) Financial Liabilities**

**(i) Measurement**

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss.

**(ii) Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

**ix) Use of estimates**

The preparation of financial statements as per Generally Accepted Accounting Principles requires management to make estimates and assumptions which affects the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of financial statements and reported amount of revenue and expenses during the reported period. Actual results could differ from such estimates.

**x) 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.

**xi) 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.

**xii) Employee benefits**

Short term employee benefits are recognised as an expense at the undiscounted amounts in the Statement of Profit & Loss for the year in which the related service is rendered.

Liabilities in respect Leave Encashment and Gratuity which are defined benefit plans are determined based on estimated leave balance basis as on the balance sheet date.

**xlii) 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.





Datamatics Global Services FZ LLC  
Financial statements as at March 31, 2021

Note 2 - Property, plant and equipment

Particulars	(Amount in AED)				(Amount in INR)			
	FURNITURE & FIXTURES	OFFICE EQUIPMENTS	COMPUTERS	Total	FURNITURE & FIXTURES	OFFICE EQUIPMENTS	COMPUTERS	Total
<b>As at March 31, 2019</b>	11,268	2,622	4,500	18,390	2,12,176	49,372	84,735	3,46,284
Additions	-	-	6,890	6,890	-	-	1,32,770	1,32,770
Disposals	-	-	-	-	-	-	-	-
Foreign Exchange differences	-	-	-	-	19,719	4,589	16,901	41,208
<b>As at March 31, 2020</b>	11,268	2,622	11,390	25,280	2,31,895	53,961	2,34,406	5,20,263
Additions	-	-	3,000	3,000	-	-	60,540	60,540
Disposals	-	-	-	-	-	-	-	-
Foreign Exchange differences	-	-	-	-	(7,662)	(1,783)	(8,585)	(18,031)
<b>As at March 31, 2021</b>	11,268	2,622	14,390	28,280	2,24,233	52,178	2,86,361	5,62,772

(Amount in AED)

Particulars	(Amount in AED)				(Amount in INR)			
	FURNITURE & FIXTURES	OFFICE EQUIPMENTS	COMPUTERS	Total	FURNITURE & FIXTURES	OFFICE EQUIPMENTS	COMPUTERS	Total
<b>As at March 31, 2019</b>	3,240	938	3,618	7,796	61,003	17,661	68,128	1,46,792
Depreciation charge during the year	1,170	526	1,925	3,620	22,544	10,126	37,096	69,766
Disposals	-	-	-	-	-	-	-	-
Foreign Exchange differences	-	-	-	-	7,202	2,330	8,853	18,385
<b>As at March 31, 2020</b>	4,410	1,463	5,543	11,416	90,749	30,117	1,14,077	2,34,943
Depreciation charge during the year	1,167	524	2,832	4,522	23,543	10,576	57,140	91,259
Disposals	-	-	-	-	-	-	-	-
Foreign Exchange differences	-	-	-	-	(3,325)	(1,142)	(4,562)	(9,029)
<b>As at March 31, 2021</b>	5,576	1,987	8,375	15,938	1,10,967	39,551	1,66,656	3,17,173

Net carrying amount as at March 31, 2021

Net carrying amount as at March 31, 2020



**Datamatics Global Services FZ LLC**  
**Financial statements as at March 31, 2021**

Particulars	(Amount In AED)		(Amount In INR)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Note 3 - Other financial assets (non-current)</b>				
(Unsecured, considered good)				
Other deposits	-	9,740	-	2,00,449
<b>Total</b>	<b>-</b>	<b>9,740</b>	<b>-</b>	<b>2,00,449</b>

Particulars	(Amount In AED)		(Amount In INR)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Note 4 - Trade receivables</b>				
Unsecured				
Considered Good	5,85,988	14,44,592	1,16,61,162	2,97,29,710
	<b>5,85,988</b>	<b>14,44,592</b>	<b>1,16,61,162</b>	<b>2,97,29,710</b>
Credit Impaired	1,05,929	6,23,734	21,07,979	1,28,36,451
Less :- Allowance for expected credit loss	1,05,929	6,23,734	21,07,979	1,28,36,451
<b>Total</b>	<b>5,85,988</b>	<b>14,44,592</b>	<b>1,16,61,162</b>	<b>2,97,29,710</b>

Particulars	(Amount In AED)		(Amount In INR)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Note 5 - Cash and cash equivalents</b>				
Bank balances	36,71,395	31,70,265	7,30,60,759	6,52,44,053
<b>Total</b>	<b>36,71,395</b>	<b>31,70,265</b>	<b>7,30,60,759</b>	<b>6,52,44,053</b>

Particulars	(Amount In AED)		(Amount In INR)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Note 6 - Loans (Current)</b>				
Unsecured, considered good				
Loan to Related Party (Refer Note No. 19)*	22,38,755	9,17,500	4,45,51,225	1,88,82,150
<b>Total</b>	<b>22,38,755</b>	<b>9,17,500</b>	<b>4,45,51,225</b>	<b>1,88,82,150</b>

\* Unsecured loan given to RJ Globus Solution Inc for working capital requirements. The Interest rate charged is not detrimental to Interest of the company and recovered within 6 months.

Particulars	(Amount In AED)		(Amount In INR)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Note 7 - Other financial assets (current)</b>				
(Unsecured, considered good)				
Security deposits	46,440	36,700	9,24,156	7,55,286
Receivable from related parties (Refer Note No. 19)	93,318	41,517	18,57,038	8,54,422
Others -				
Interest accrued on loan	66,080	14,818	13,14,992	3,04,958
Unbilled Revenue	16,00,064	6,83,793	3,18,41,274	1,40,72,460
<b>Total</b>	<b>18,05,902</b>	<b>7,76,828</b>	<b>3,59,37,459</b>	<b>1,59,87,126</b>

Particulars	(Amount In AED)		(Amount In INR)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Note 8 - Other current assets</b>				
Advance to Vendors	5,498	11,458	1,09,420	2,35,806
Advanced to Employees	10,365	3,13,419	2,06,264	64,50,157
Prepaid expenses	1,79,864	1,98,886	35,79,293	40,93,076
<b>Total</b>	<b>1,95,727</b>	<b>5,23,763</b>	<b>38,94,976</b>	<b>1,07,79,038</b>



Note 9 - Share capital and other equity

9(a) - Equity share capital

(i) Issued, Subscribed and Paid-up equity share capital

Particulars	Number of shares	Amount in AED	Number of shares	Amount in INR
As at March 31, 2019	50	50,000	50	9,41,500
Foreign exchange fluctuation	-	-	-	87,500
As at March 31, 2020	50	50,000	50	10,29,000
Foreign exchange fluctuation	-	-	-	(34,000)
As at March 31, 2021	50	50,000	50	9,95,000

(ii) Movements in equity share capital

Particulars	Number of shares	Amount in AED	Number of shares	Amount in INR
As at March 31, 2020	50	50,000	50	10,29,000
Foreign exchange fluctuation	-	-	-	(34,000)
As at March 31, 2021	50	50,000	50	9,95,000

(iii) Shares of the company held by holding company

Particulars	(Amount in AED)		(Amount in INR)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
50 (50) Equity Shares of AED 1,000 each fully paid up	50,000	50,000	9,95,000	10,29,000

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

Particulars	March 31, 2021		March 31, 2020	
	Number of shares	% Holding	Number of shares	% Holding
Datamatics Global Services Limited	50	100	50	100

(v) Terms / rights attached to equity shares

The Company, at present, has one class of equity shares having a par value of AED 1,000 per share. Each shareholder is eligible for one vote per share held.

9(b) - Other equity

Particulars	(Amount in AED)		(Amount in INR)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Retained earnings*	68,98,181	62,15,986	12,38,41,987	11,00,75,235
OCI -	-	-	-	-
Foreign currency translation reserve**	-	-	1,34,31,803	1,78,49,728
<b>Total</b>	<b>68,98,181</b>	<b>62,15,986</b>	<b>13,72,73,790</b>	<b>12,79,24,963</b>

\* Refer Statement of Changes in Equity for Movement

\*\* The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than AED is recognised in other comprehensive income, net of taxes and is presented within equity in the foreign currency translation reserve.



**Datamatics Global Services FZ LLC**  
**Financial statements as at March 31, 2021**

Note 10 - Provisions (Non-current)	(Amount In AED)		(Amount In INR)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Particulars</b>				
<u>Provisions for employee benefits</u>				
Gratuity	83,967	1,08,376	16,70,943	22,30,378
<b>Total</b>	<b>83,967</b>	<b>1,08,376</b>	<b>16,70,943</b>	<b>22,30,378</b>

Note 11 - Trade payables	(Amount In AED)		(Amount In INR)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Particulars</b>				
Trade payables	11,22,917	2,32,343	2,23,46,057	47,81,609
<b>Total</b>	<b>11,22,917</b>	<b>2,32,343</b>	<b>2,23,46,057</b>	<b>47,81,609</b>

Note 12 - Other financial liabilities (current)	(Amount In AED)		(Amount In INR)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Particulars</b>				
Advance from related parties (Refer Note No. 19)	1,46,471	74,324	29,14,779	15,29,580
<b>Total</b>	<b>1,46,471</b>	<b>74,324</b>	<b>29,14,779</b>	<b>15,29,580</b>

Note 13 - Provisions (Current)	(Amount In AED)		(Amount In INR)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Particulars</b>				
<u>Provisions for employee benefits</u>				
Leave Encashment	1,40,817	80,467	28,02,252	16,56,004
<b>Total</b>	<b>1,40,817</b>	<b>80,467</b>	<b>28,02,252</b>	<b>16,56,004</b>

Note 14 - Other current liabilities	(Amount In AED)		(Amount In INR)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Particulars</b>				
Statutory dues	56,414	58,710	11,22,633	12,08,249
Unearned Revenue	11,343	36,349	2,25,726	7,48,062
<b>Total</b>	<b>67,757</b>	<b>95,059</b>	<b>13,48,359</b>	<b>19,56,311</b>



Datamatics Global Services FZ LLC  
Financial statements as at March 31, 2021

Particulars	(Amount In AED)		(Amount In INR)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Note 15 - Revenue from operations</b>				
Sale of Services	80,54,847	54,21,274	16,25,46,816	10,44,67,942
<b>Total</b>	<b>80,54,847</b>	<b>54,21,274</b>	<b>16,25,46,816</b>	<b>10,44,67,942</b>

Particulars	(Amount In AED)		(Amount In INR)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Note 16 - Other Income</b>				
Interest received	51,262	14,818	10,34,464	2,85,546
Sundry balance written back (net)	-	53,430	-	10,29,596
Exchange gain	2,48,715	-	50,19,075	-
Miscellaneous receipts	-	20,199	-	3,89,235
<b>Total</b>	<b>2,99,977</b>	<b>88,447</b>	<b>60,53,539</b>	<b>17,04,378</b>

Particulars	(Amount In AED)		(Amount In INR)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Note 17 - Employee benefit expenses</b>				
Salary, Wages & Allowances	49,91,704	41,50,435	10,07,32,580	7,99,78,884
Staff Welfare Expenses	1,22,065	1,13,622	24,63,272	21,89,504
<b>Total</b>	<b>51,13,769</b>	<b>42,64,058</b>	<b>10,31,95,852</b>	<b>8,21,68,388</b>

Particulars	(Amount In AED)		(Amount In INR)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Note 18 - Other expenses</b>				
Legal & Professional expenses	76,432	1,40,293	15,42,398	27,03,441
Travelling expenses	45,516	3,97,905	9,18,522	76,67,634
Technical fees	19,27,812	-	3,89,03,254	-
Rent	2,58,360	3,18,931	52,13,698	61,45,805
Communication charges	30,674	30,315	6,19,011	5,84,164
House Keeping expenses	4,045	3,305	81,618	63,687
Recruitment charges	36,985	91,062	7,46,361	17,54,757
Audit fees	6,193	5,192	1,24,975	1,00,050
Sales promotion	-	3,065	-	59,055
Printing & Stationery	151	1,494	3,047	28,794
Subscription expenses	13,809	7,453	2,78,663	1,43,610
Bank charges	26,715	26,078	5,39,112	5,02,515
Rates & Taxes	50,775	49,565	10,24,642	9,55,115
Repairs & Maintenance expenses	1,500	315	30,269	6,070
Foreign exchange loss (net)	-	26,209	-	5,05,040
Bad Debts written off	5,53,737	5,642	1,11,74,422	1,08,713
Less: Allowance for expected credit loss	(5,53,737)	(5,642)	(1,11,74,422)	(1,08,713)
Allowance for expected credit loss	35,932	-	7,25,104	-
Insurance	12,379	7,994	2,49,818	1,54,040
Miscellaneous expenses	27,057	4,520	5,46,001	87,110
<b>Total</b>	<b>25,54,338</b>	<b>11,13,696</b>	<b>5,15,46,491</b>	<b>2,14,60,887</b>



**Datamatics Global Services FZ LLC**  
**Notes Forming Part of The Financial Statements**

**Note 19 - Related Party Disclosure**

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.

The Company has entered into transactions in ordinary course of business with related parties at arms length as per details given below:

- Datamatics Global Services Limited (Holding Company)
- Datamatics Robotics Software Limited (Fellow Subsidiary)
- Datamatics Global Technologies AG (Fellow Subsidiary)
- Datamatics Global Services Corp (Fellow Subsidiary)
- RJ Globus Solutions Inc (Fellow Subsidiary)
- Cybercom Information Solutions Private Limited (Joint Venture of Holding company)

The nature of significant related party transactions and the amounts involved are as follows:

Sr. No.	Particulars	(Amount in AED)		(Amount in INR)	
		2020-21	2019-20	2020-21	2019-20
	<b>Transactions during the year ended</b>				
(i)	<b>Advances Refunded back During the Year</b>				
	Datamatics Global Services Limited (Holding Company)	2,16,340	4,90,231	43,65,739	1,00,88,954
(ii)	<b>Advances given During the Year</b>				
	Cybercom Information Solutions Private Limited (Joint Venture of Holding company)	-	14,938	-	3,07,429
	Datamatics Global Technologies AG (Fellow Subsidiary)	66,740	-	13,46,805	-
	Datamatics Global Services Corp (Fellow Subsidiary)	-	26,579	-	5,46,993
(iii)	<b>Advances obtained During the Year</b>				
	Datamatics Global Services Limited (Holding Company)	2,88,488	5,32,535	58,21,680	1,09,59,564
	Datamatics Robotics Software Limited (Fellow Subsidiary)	-	3,420	-	70,385
(iv)	<b>Included in Technical Fees</b>				
	Datamatics Global Services Limited (Holding Company)	16,35,680	-	3,30,08,030	-
(v)	<b>Included in Interest received</b>				
	RJ Globus Solutions Inc (Fellow Subsidiary)	51,262	14,818	10,34,464	2,85,546
(vi)	<b>Loan Given</b>				
	RJ Globus Solutions Inc (Fellow Subsidiary)	13,21,255	9,17,500	2,66,62,927	1,88,82,150
	<b>Balances as at March 31</b>	<b>March 31, 2021</b>	<b>March 31, 2020</b>	<b>March 31, 2021</b>	<b>March 31, 2020</b>
(i)	<b>Included in Other financial liabilities</b>				
	Datamatics Global Services Limited (Holding Company)	1,43,051	70,904	28,46,720	14,59,195
	Datamatics Robotics Software Limited (Fellow Subsidiary)	3,420	3,420	68,059	70,385
(ii)	<b>Loan Given</b>				
	RJ Globus Solutions Inc (Fellow Subsidiary)	22,38,755	9,17,500	4,45,51,225	1,88,82,150
(iii)	<b>Included in Other financial assets</b>				
	Cybercom Information Solutions Private Limited (Joint Venture of Holding company)	-	14,938	-	3,07,429
	Datamatics Global Services Corp (Fellow Subsidiary)	26,579	26,579	5,36,361	5,46,993
	Datamatics Global Technologies AG (Fellow Subsidiary)	66,740	-	13,28,118	-
(iv)	<b>Included in Trade Payable</b>				
	Datamatics Global Services Limited (Holding Company)	8,21,340	-	1,63,44,674	-
(v)	<b>Interest accrued on loan</b>				
	RJ Globus Solutions Inc (Fellow Subsidiary)	66,080	14,818	13,14,992	3,04,958

**Note 20 - Earnings Per Share**

Particulars	(Amount in AED)		(Amount in INR)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Net profit after tax (In AED)	6,82,196	1,28,347	1,37,66,752	24,73,277
Number of equity shares	50	50	50	50
Nominal value of shares	AED 1000	AED 1000		
Earnings per Share (Basic and Diluted)	13,643.92	2,566.93	2,75,335.04	49,465.54

**Note 21 - Fair value measurements**

Particulars	(Amount in AED)		(Amount in INR)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	<b>Amortised Cost</b>	<b>Amortised Cost</b>	<b>Amortised Cost</b>	<b>Amortised Cost</b>
<b>Financial assets</b>				
Cash and cash equivalents	36,71,395	31,70,265	7,30,60,759	6,52,44,053
Trade receivables	5,85,988	14,44,592	1,16,61,162	2,97,29,710
Unbilled Revenue	16,00,064	6,83,793	3,18,41,274	1,40,72,460
Loan	22,38,755	9,17,500	4,45,51,225	1,88,82,150
Security deposits	46,440	46,440	9,24,156	9,55,735
Receivable from related parties	93,318	41,517	18,57,038	8,54,422
Interest accrued on loan	66,080	14,818	13,14,992	3,04,958
<b>Total financial assets</b>	<b>89,02,040</b>	<b>63,18,926</b>	<b>16,52,10,606</b>	<b>13,00,43,488</b>
<b>Financial Liabilities</b>				
Trade Payable	11,22,917	2,32,343	2,23,46,057	47,81,609
Advance from related parties	1,46,471	74,324	29,14,779	15,29,580
<b>Total financial liabilities</b>	<b>12,69,389</b>	<b>3,06,666</b>	<b>2,52,60,837</b>	<b>63,11,189</b>



**Note 22 - Financial risk management**

The company's activities expose it to liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and financial assets	Ageing analysis	Diversification of bank deposits and credit limits
Liquidity risk	Trade payable	Maturity analysis, cash flow forecasts	Availability of committed credit lines and borrowing facilities

**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.

**Reconciliation of loss allowance provision – Trade receivables**

Particulars	(Amount in AED)	(Amount in INR)
Loss allowance on March 31, 2019	6,82,806	1,28,57,233
Changes in loss allowance	(59,072)	(11,38,309)
Foreign Exchange differences	-	11,17,527
Loss allowance on March 31, 2020	6,23,734	1,28,36,451
Changes in loss allowance	(5,17,806)	(1,04,49,318)
Foreign Exchange differences	-	(2,79,154)
Loss allowance on March 31, 2021	1,05,929	21,07,979

**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.

**Note 23 - Lease**

The Company's significant leasing arrangements are in respect of office premises. The aggregate lease rentals payable on these leasing arrangements are charged as rent under "Other expenses" in Note 18. These leasing arrangements are for a period not exceeding twelve months and are in most cases renewable by mutual consent, on mutually agreeable terms.

Rental expense relating to operating leases	(Amount in AED)		(Amount in INR)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Total rental expense relating to operating leases	2,58,360	3,18,931	52,13,698	61,45,805

**Notes:**

- (a) Future lease payments are determined on the basis of terms of the lease agreement.
- (b) At the expiry of term of the agreement, the Company has an option either to return the leased asset or extend the term by giving a notice in writing.
- (c) There are no sublease payments as well as no contingent rent.

**Note 24 - Impact of COVID - 19 Pandemic**

The company has assessed the possible effects that may result from the COVID-19 pandemic on the carrying amounts of receivables, unbilled revenues and other assets / liabilities. Based on the current indicators of economic conditions, the company expects to recover the carrying amount of all its assets. The actual impact of the COVID-19 pandemic may be different from that estimated as at the date of approval of these financial results and the company will continue to closely monitor any material changes to the economic conditions in the future.

**Note 25 - Previous Year Figures**

Previous year figures have been appropriately regrouped/reclassified and rearranged wherever necessary to conform to the current year's presentation.

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

Ashishkumar Bairagra  
Partner  
Membership No. 109931

Place : Mumbai  
Dated : 25th May, 2021

For and on behalf of the Board



Rahul Kanodia  
Director



Divya Kumari  
Director



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