

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021
FOR
DATAMATICS INFOTECH LIMITED

P.S.J. Alexander & Co.

Chartered Accountants

LONDON



DATAMATICS INFOTECH LIMITED

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FOR THE YEAR ENDED 31ST MARCH 2021

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DIRECTORS:

Mr Rahul Kanodia
Mr Vaid Gurtej Singh
Mr Brajesh Ugra

REGISTERED OFFICE:

1 Doughty Street
London
WC1N 2PH

REGISTERED NUMBER:

04706198 (England and Wales)

AUDITORS:

PSJ Alexander & Co
Chartered Accountants & Statutory Auditors
1 Doughty Street
London
WC1N 2PH

The directors present their strategic report for the year ended 31st March 2021.

REVIEW OF BUSINESS

The revenue from operations for the year ended was at £11.00 million compared to £12.87 million in previous year. There is a decline in company revenue by 14.5%. The decline can primarily be attributed to COVID19 which has resulted in to reduced customer budgets.

The gross profit of the company was at £1.57 million compared to £1.68 million in previous year, Gross profit as a percentage to revenue was at 14.3% as compared to 13% in previous year.

Profit after tax for the current year was at £855k as compared to £907K in previous year. Net profit remains at 7.8% as compared to 7% in previous year.

The directors consider the results for the year to be satisfactory and is confident that profits will be maintained during the year to 31 March 2022.

They are seeing increase in demand in technology spending cycle. This acceleration is expected to remain a key growth driver for IT industry over next few years as digital transformation is playing out. It is an era of technology upgradation which is creating huge opportunity for IT industry. They are seeing specific opportunities in the process automation and digital transformation.

They are pleased to see datamatician's response and commitment to work in this difficult situation. We are closely working together as a team and focusing on execution and addressing global business opportunities.

The directors do not consider that any further analysis using non-financial key performance indicators, including those relating to environmental matters is necessary for an understanding of the performance and position of the business of the company

PRINCIPAL RISKS AND UNCERTAINTIES

The principle risk and uncertainties which company may face are

1. Uncertainties in key markets
2. Risk of losing customer and revenue concentration with our few top clients
3. Competition from peers
4. Legislations affecting business


The group has risk management framework to identify, assess, address, mitigate and monitor the key risks

OTHER MATTERS

Further the directors state that they act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regards (amongst other matters) to-

- (a) the likely consequences of any decision in the long term,
- (b) the interests of the company's employees,
- (c) the need to foster the company's business relationships with suppliers, customers and others,
- (d) the impact of the company's operations on the community and the environment,
- (e) the desirability of the company maintaining a reputation for high standards of business conduct,
- (f) the need to act fairly as between members of the company, and
- (g) the rules and regulations applicable to the company.

ON BEHALF OF THE BOARD:



Mr Rahul Kanodia - Director

24th May 2021



REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST MARCH 2021

The directors present their report with the financial statements of the company for the year ended 31st March 2021.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of software development and IT consultancy.

DIVIDENDS

No dividends will be distributed for the year ended 31st March 2021.

DIRECTORS

The directors shown below have held office during the whole of the period from 1st April 2020 to the date of this report.

Mr Rahul Kanodia
Mr Vaid Gurtej Singh
Mr Brajesh Ugra

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD:


Mr Rahul Kanodia - Director

24th May 2021



Opinion

We have audited the financial statements of Datamatics Infotech Limited (the 'company') for the year ended 31st March 2021 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

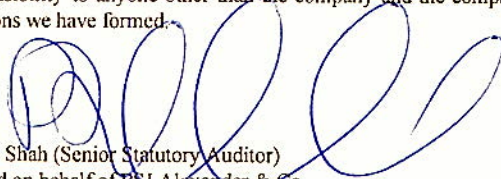
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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.

- we reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations that have a direct effect on the financial statements;
- we enquired with the management team concerning actual and potential litigation and claims;
- we performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- we read minutes of meetings of those charged with governance;
- we obtained an understanding of any provisions and held discussions with management to understand the basis of recognition or non-recognition of tax provisions; and
- we addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Vimal Shah (Senior Statutory Auditor)
for and on behalf of PSL Alexander & Co
Chartered Accountants & Statutory Auditors
1 Doughty Street
London
WC1N 2PH

Date: 24/1/21

DATAMATICS INFOTECH LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST MARCH 2021

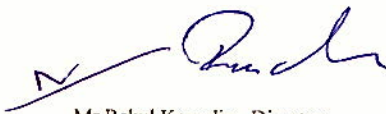
	Notes	2021 £	2020 £
TURNOVER		11,003,423	12,868,912
Cost of sales		<u>9,432,609</u>	<u>11,191,344</u>
GROSS PROFIT		1,570,814	1,677,568
Administrative expenses		<u>493,516</u>	<u>558,011</u>
OPERATING PROFIT	4	1,077,298	1,119,557
Interest receivable and similar income		<u>18,083</u>	<u>-</u>
PROFIT BEFORE TAXATION		1,095,381	1,119,557
Tax on profit	5	<u>240,524</u>	<u>212,716</u>
PROFIT FOR THE FINANCIAL YEAR		854,857	906,841
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>854,857</u>	<u>906,841</u>

The notes on pages 9 to 11 form part of these financial statements

BALANCE SHEET
31ST MARCH 2021

	Notes	2021 £	2020 £
CURRENT ASSETS			
Debtors	6	3,831,280	3,989,454
Cash at bank		1,833,918	1,261,088
		<u>5,665,198</u>	<u>5,250,542</u>
CREDITORS			
Amounts falling due within one year	7	2,110,393	2,550,594
		<u>3,554,805</u>	<u>2,699,948</u>
NET CURRENT ASSETS			
		<u>3,554,805</u>	<u>2,699,948</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>3,554,805</u>	<u>2,699,948</u>
CAPITAL AND RESERVES			
Called up share capital	8	20,000	20,000
Retained earnings	9	3,534,805	2,679,948
		<u>3,554,805</u>	<u>2,699,948</u>
SHAREHOLDERS' FUNDS			
		<u>3,554,805</u>	<u>2,699,948</u>

The financial statements were approved by the Board of Directors and authorised for issue on 24th May 2021 and were signed on its behalf by:



Mr Rahul Kanodia - Director



The notes on pages 9 to 11 form part of these financial statements

DATAMATICS INFOTECH LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST MARCH 2021

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1st April 2019	20,000	1,773,107	1,793,107
Changes in equity			
Total comprehensive income	-	906,841	906,841
Balance at 31st March 2020	20,000	2,679,948	2,699,948
Changes in equity			
Total comprehensive income	-	854,857	854,857
Balance at 31st March 2021	20,000	3,534,805	3,554,805

The notes on pages 9 to 11 form part of these financial statements

1. **STATUTORY INFORMATION**

Datamatics Infotech Limited is a private company, limited by shares, registered in England and Wales. The company's registered number is 04706198 and registered office address is 1 Doughty Street, London, WC1N 2PH.

The principal place of business is 268 Bath Road, Slough, Berkshire, SL1 4DX.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Turnover

Turnover represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

	2021	2020
	£	£
Wages and salaries	1,945,666	2,466,026
Social security costs	140,099	138,367
Other pension costs	3,064	2,968
	<u>2,088,829</u>	<u>2,607,361</u>

The average number of employees during the year was as follows:

	2021	2020
Sales and marketing	2	3
Technical support	1	1
Technical	35	43
	<u>38</u>	<u>47</u>

	2021	2020
	£	£
Directors' remuneration	-	-
	<u>-</u>	<u>-</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	2021	2020
	£	£
Other operating leases	12,137	8,287
Auditors remuneration	6,500	6,250
Auditors' remuneration for non audit work	10,880	12,536
Foreign exchange differences	443	384
	<u>443</u>	<u>384</u>

5. TAXATION**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	2021	2020
	£	£
Current tax:		
UK corporation tax	240,524	212,716
	<u>240,524</u>	<u>212,716</u>
Tax on profit	<u>240,524</u>	<u>212,716</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	1,921,375	3,402,998
Other debtors	1,019,553	4,746
Prepayments and accrued income	876,604	572,583
Prepayments	13,748	9,127
	<u>3,831,280</u>	<u>3,989,454</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

Other debtors include a loan provided to the parent undertaking of £1mn and accrued interest of £18,083 totalling £1,018,083 which is repayable within one year.

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Amounts owed to group undertakings	624,506	1,521,502
Taxation	86,724	127,546
VAT	452,749	539,630
Other creditors	946,414	361,916
	<u>2,110,393</u>	<u>2,550,594</u>

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2021	2020
Number:	Class:	Nominal value:	£	£
20,000	Ordinary shares	£1	<u>20,000</u>	<u>20,000</u>

9. RESERVES

	Retained earnings £
At 1st April 2020	2,679,948
Profit for the year	854,857
At 31st March 2021	<u>3,534,805</u>

10. ULTIMATE PARENT COMPANY

The immediate and ultimate parent undertaking is Datamatics Global Services Ltd, a public listed company in India. Copies of the consolidated financial statements can be obtained from the company's registered address Knowledge Centre, Plot No. 58 Street No. 17, MIDC, Andheri (East), Mumbai - 400 093, India.

11. OTHER FINANCIAL COMMITMENTS

The company had total guarantees and commitments at the balance sheet date of £9,672.

12. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

13. ULTIMATE PARENT COMPANY

The immediate and ultimate parent undertaking is Datamatics Global Services Ltd, a public listed company in India. Copies of the consolidated financial statements can be obtained from the company's registered address Knowledge Centre, Plot No. 58 Street No. 17, MIDC, Andheri (East), Mumbai - 400 093, India.

DATAMATICS INFOTECH LIMITED

TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2021

	2021		2020	
	£	£	£	£
Sales		11,003,423		12,868,912
Cost of sales				
Wages	1,696,994		2,124,942	
Social security	111,851		102,811	
Pensions	2,080		1,511	
Employees welfare expenses	953		24,476	
Technical fees	7,608,078		8,826,773	
Visa fees	11,133		100,308	
Travelling	-		7,317	
Conveyance	1,520		3,206	
		9,432,609		11,191,344
GROSS PROFIT		1,570,814		1,677,568
Other income				
Interest on loan		18,083		-
		1,588,897		1,677,568
Expenditure				
Pensions	984		1,457	
Rent	12,137		8,287	
Wages	248,672		341,084	
Social security	28,248		35,556	
Telephone	2,421		4,285	
Post and stationery	-		7	
Advertising	-		58,035	
Travelling	-		9,762	
Employees welfare expenses	11,981		3,232	
Conveyance	1,040		5,720	
Bank charges	2,059		2,627	
Sundry expenses	(178)		-	
Insurance	32,973		9,840	
Commission	5,924		15,798	
Visa costs	-		4,131	
Legal and professional fees	128,124		39,020	
Auditors remuneration	6,500		6,250	
Auditors' remuneration for non audit work	10,880		12,536	
Foreign exchange losses	443		384	
Entertainment	1,308		-	
		493,516		558,011
NET PROFIT		1,095,381		1,119,557

This page does not form part of the statutory financial statements