

Notes to the Standalone Financial Statements

As at March 31, 2019

1. General Information

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

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

2. Significant Accounting Policies

a) Basis of Preparation of Financial Statements:

i) Compliance with Ind AS

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

The standalone financial statements were approved by the Company's Board of Directors and authorised for issue on May 9, 2019.

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.

b) Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles require estimates and assumptions to be made that affect the reported amounts of the assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the year in which the results are known / materialized.

c) Foreign currency translation

i) Functional and presentation currency

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

ii) Transactions and balances

Transactions in foreign currency are recorded at the rates of exchange prevailing at the date of the transactions.

Monetary items denominated in foreign currencies at the balance sheet date are translated at the exchange rates prevailing at the balance sheet date. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

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Any income or expense on account of exchange difference either on settlement or on translation at the balance sheet date is recognised in the Statement of Profit and Loss in the year in which it arises.

d) Revenue recognition

Revenue from services is recognised based on time and material and billed to the clients as per the terms of the contract.

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

In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract cost incurred determining the degrees of completion of the performance obligation.

Revenue from the sale of distinct internally developed software and third party software is recognised upfront at the point in time when the software is delivered to the customer. In cases where implementation services rendered significantly modifies or customise the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer.

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.

Effective April 1, 2018, the Company has applied Ind AS 115 Revenue from contracts with customers which establishes comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to

the contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated - i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

e) Income tax

Tax expense comprise of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act.

Current income taxes

The current tax expense include income tax expense payable by the company in India. The current tax payable by the company in India is income tax payable on worldwide income after taking credit for tax relief available for export operation in Specified Economic Zone (SEZs).

Advance taxes and provision for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in some tax jurisdictions.

Deferred tax

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

In the situations where Company is entitled to a tax holiday under the Income Tax Act, 1961 enacted in India, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the Company restricts recognition of deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

At each balance sheet date unrecognized deferred tax assets are re-assessed. It recognizes unrecognized

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deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the Guidance Note on Accounting for credit available in respect of Minimum Alternate Tax under the Income Tax Act, 1961.

Dividend distribution tax paid on the dividends is recognised consistently with the presentation of the transaction that creates the income tax consequence. Dividend distribution tax is recognised in equity.

f) Leases

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.

g) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less from date of purchase to be cash equivalents.

h) Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

i) Trade receivables

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

j) Investments and other financial assets

i) Classification

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The company reclassifies debt investments when and only when its business model for managing those assets changes.

ii) Measurement

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

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows

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represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

• **Impairment of 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 subsidiaries and joint venture which are at cost less impairment losses, if any). 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 49 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.

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v) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

k) Derivatives and hedging activities

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. Such forward contracts are utilised against the inflow of funds under firm commitments. The Company does not use the forward contract for speculative purposes. The Company designates these hedging instruments as cash flow hedge. The use of hedging instruments is governed by the Company's policies approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the Company's risk management strategy.

Hedging instruments are initially measured at fair value and are remeasured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised in other comprehensive income and the ineffective portion is recognised immediately in the Statement of Profit and Loss.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the Statement of Profit and Loss as they arise.

The fair value of derivative financial instruments is determined based on observable market inputs including currency spot and forward rates, yield curves, currency volatility etc.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised or no longer qualifies for hedge accounting. At that

time for forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in Other comprehensive income is retained until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in other comprehensive income is transferred to the Statement of Profit and Loss for the year.

l) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

m) Property, Plant and Equipment

Property, Plant and Equipments are valued at cost, except for certain Property, Plant and Equipments which have been stated at revalued amounts as determined by approved independent valuer, after reducing accumulated depreciation until the date of the balance sheet. Direct costs are capitalised until the assets are ready to use and include financing costs relating to any specific borrowing attributable to the acquisition of fixed assets. Capital work-in-progress includes assets not put to use before the year end.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is provided on the Straight Line Method except for leasehold land, leasehold premises and freehold land as per the useful life and in the manner prescribed in Schedule II to Companies Act, 2013. Leasehold Premises is amortized on the Straight Line Method over the period of 30 years and Leasehold Land is amortized on the Straight Line Method over the period of 75 years.

n) Intangible assets

i) Goodwill

Goodwill on merger of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the

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lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

ii) Trademarks, copyrights and other rights

Separately acquired Trademarks and copyrights are shown at historical cost. Trademarks, copyrights and non-compete fees acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

iii) Computer software

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

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

iv) Other intangible assets

Other intangible assets that do not meet the criteria in (i) to (iii) above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

v) Amortisation methods and periods

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

Particulars	Useful Life
Computer Softwares	3 years
Non-Compete Fees	5 years
Copy Rights	3 years
Trade Mark	3 years
Other Intangibles	3 years

o) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently

measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

q) Borrowing costs

Borrowing costs, which are directly attributable to the acquisition, construction or production of a qualifying assets are capitalised as a part of the cost of the assets. Other borrowing costs are recognised as expenses in the year in which they are incurred.

r) Provision, Contingent Liabilities and Contingent Assets

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for contingent liability is made when there is possible obligation or a present obligation that may,

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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.

s) **Employee benefits**

i) **Defined Contribution Plan**

Contribution to defined contribution plans are recognised as expense in the Statement of Profit and Loss, as they are incurred.

ii) **Defined Benefit Plan**

Company's liabilities towards gratuity and leave encashment are determined using the projected unit credit method with actuarial valuation being carried out as at Balance Sheet date. Actuarial gains / losses are recognised immediately in the Statement of Profit and Loss. Long-term compensated absences are provided for based on actuarial valuation.

iii) **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

t) **Contributed equity**

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

u) **Earnings per share**

In determining Earnings per Share, the Company considers the net profit attributable to company's owners. The number of shares used in computing basic Earnings per Share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted Earnings per Share comprises the weighted average shares considered for deriving basic Earnings per Share and also the weighted average number of equity shares that could

have been issued on the conversion of all dilutive potential equity shares.

v) **Recent Indian Accounting Standards (Ind AS)**

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified following new and amendments to Ind AS which the Company has not applied as they are effective from April 1, 2019.

i) **Ind AS - 116 : Leases**

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company will adopt Ind AS 116, effective annual reporting period beginning April 1, 2019. The Company will apply the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application. Accordingly, the Company will not restate comparative information, instead, the cumulative effect of initially applying this standard will be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. On that date, the Company will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement date, but discounted using lessee's incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which underlying asset is of low value.

With effect from April 1, 2019, the Company will recognise new assets and liabilities for its operating lease of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to a) amortisation charge for right-to-use asset, and b) interest accrued on lease liability. The Company is in the process of finalising changes to systems and processes to meet the accounting and reporting requirements of the standard.

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- ii) **Ind AS 12 : Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)**
The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. The amendment does not amend the situations where the entity pays a tax on dividend which is effectively a portion of dividend paid to taxation authorities on behalf of shareholders.
- iii) **Ind AS 109 : Prepayment features with negative compensation**
The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost even in case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements.
- iv) **Ind AS 19 : Plan amendment, curtailment or settlement**
The amendment clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.
- v) **Ind AS 23 : Borrowing Costs**
The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes the part of the funds that entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.
- vi) **Ind AS 103 : Business Combinations and Ind AS 111 : Joint Arrangements**
The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Company will apply pronouncement if and when it obtains control / joint control of a business that is a joint operation.

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4. Other Intangible assets

(₹ in Millions)							
Particulars	Other Intangibles	Computer Softwares	Non-Compete Fees	Copy Rights	Trade Mark	Total	Goodwill
As at March 31, 2017	-	77.06	29.66	8.35	-	115.07	99.24
Additions	52.81	30.59	-	-	0.02	83.42	-
Disposals / derecognised	-	-	-	-	-	-	-
As at March 31, 2018	52.81	107.65	29.66	8.35	0.02	198.49	99.24
Additions	-	23.91	-	-	1.41	25.32	-
Disposals / derecognised	-	(1.58)	-	-	(0.50)	(2.08)	-
As at March 31, 2019	52.81	129.98	29.66	8.35	0.93	221.73	99.24

(₹ in Millions)							
Particulars	Other Intangibles	Computer Softwares	Non-Compete Fees	Copy Rights	Trade Mark	Total	Goodwill
Accumulated amortisation and impairment							
As at March 31, 2017	-	35.16	8.73	2.40	-	46.29	-
Amortisation charge during the year	-	28.14	6.70	1.89	-	36.73	-
Disposals / derecognised	-	-	-	-	-	-	-
As at March 31, 2018	-	63.30	15.43	4.29	-	83.02	-
Amortisation charge during the year	17.59	27.45	6.70	1.87	0.24	53.85	-
Disposals / derecognised	-	(0.10)	-	-	(0.11)	(0.21)	-
As at March 31, 2019	17.59	90.65	22.13	6.16	0.13	136.66	-
Net carrying amount as at March 31, 2019	35.22	39.33	7.53	2.19	0.80	85.07	99.24
Net carrying amount as at March 31, 2018	52.81	44.35	14.23	4.06	0.02	115.47	99.24

5. Non-current investments

(₹ in Millions)		
Particulars	March 31, 2019	March 31, 2018
Investment in equity instruments (fully paid-up)		
Quoted (at Fair Value through OCI) (FVOCI)		
18,234 (P.Y. 13,676) fully paid Equity Shares of ₹ 2 each of Wipro Limited	4.65	3.85
5,000 (P.Y. 5,000) fully paid Equity Shares of ₹ 1 each of Vikas WSP Limited	0.09	0.06
800 (P.Y. 800) fully paid Equity Shares of ₹ 5 each of Mahindra and Mahindra Limited	0.54	0.59
8,998 (P.Y. 8,998) fully paid Equity Shares of ₹ 10 each of Coal India Limited	2.13	2.55
38,767 (P.Y. 38,767) fully paid Equity Shares of ₹ 10 each of Powergrid Corporation	7.67	7.51
5,000 (P.Y. 5,000) fully paid Equity Shares of ₹ 2 each of Axis Bank Limited	3.89	2.55
1,800 (P.Y. 1,800) fully paid Equity Shares of ₹ 2 each of Larsen and Toubro Limited	2.49	2.36
900 (P.Y. 900) fully paid Equity Shares of ₹ 10 each of Cybertech Limited	0.04	0.05
35,200 (P.Y. 35,200) fully paid Equity Shares of ₹ 10 each of Global Offshore Services Limited	0.39	0.73
Investment in debentures - Quoted (at Fair Value through Profit & Loss) (FVTPL)		
Nil (P.Y. 100) Units of ₹ 100,000 each of Edelweiss Asset Reconstruction Company Limited - GSEC Linked Non Convertible Debentures	-	11.89
Investment in equity instruments (fully paid-up)		
In subsidiaries - Wholly Owned - Unquoted (at cost)		
1,000 (P.Y. 1,000) no par value common stock in Datamatics Global Services Inc.	644.04	644.04
20,000 (P.Y. 20,000) equity shares of Datamatics Infotech Limited of GBP 1 each	1.71	1.71
50,000 (P.Y. 50,000) equity shares of Datamatics Global Technologies AG of CHF 1 each	2.26	2.26
1,000,000 (P.Y. 1,000,000) equity shares of Datamatics Global Technologies Limited of USD 1 each	46.05	46.05

Notes to the Standalone Financial Statements (Contd.)

As at March 31, 2019

Particulars	(₹ in Millions)	
	March 31, 2019	March 31, 2018
50,000 (P.Y. 50,000) equity shares of Datamatics Global Services Pty Limited of AUD 1 each	1.56	1.56
50 (P.Y. 50) equity shares of Datamatics Global Services FZ - LLC of AED 1,000 each	0.86	0.86
50,000 (P.Y. 50,000) equity shares of LD Publishing & eRetail Limited of ₹ 10 each	0.50	0.50
In Subsidiaries - Others- Unquoted (at cost)		
10,028,655 (P.Y. 10,028,655) equity shares of Lumina Datamatics Limited of ₹ 10 each	907.60	907.60
4,459,996 (P.Y. 3,909,996) fully paid equity shares of Datamatics Digital Limited of ₹ 1 each	562.00	550.00
In Joint venture - Others- Unquoted (at cost)		
428,400 (P.Y. 428,400) fully paid equity shares of Cybercom Datamatics Information Solutions Limited of ₹ 10 each	7.94	7.94
Investment in preference shares		
Unquoted (at FVTPL)		
In subsidiaries - Wholly Owned		
12,350,000 (P.Y. 12,750,000) fully paid Series II & III Non Cumulative Redeemable 8% Preference shares of Datamatics Global Technologies Limited of USD 1 each	134.34	134.23
In subsidiaries - Others		
27,670,856 (P.Y. 27,670,856) 9% Redeemable Preference Shares of Lumina Datamatics Limited of ₹ 10 each	165.34	161.06
Total	2,496.09	2,489.95
Aggregate amount of quoted investments	21.89	32.14
Aggregate amount of unquoted investments	2,474.20	2,457.81
Aggregate market value of quoted investments	21.89	32.14

6. Non Current Loans

Particulars	(₹ in Millions)	
	March 31, 2019	March 31, 2018
(Unsecured, considered Good, unless specified otherwise)		
Others -		
Loan to Employees	0.29	0.46
Total	0.29	0.46

7. Other non-current financial assets

Particulars	(₹ in Millions)	
	March 31, 2019	March 31, 2018
Security deposits	42.34	42.15
Less: Allowances for doubtful deposits	6.17	-
Net security deposits	36.17	42.15
Fair value of outstanding forward contracts (FVOCI)	33.50	-
Fair value of outstanding corporate guarantees (FVTPL)	17.48	17.48
Total	87.15	59.63

8. Taxation

8(a) Income tax expense

Particulars	(₹ in Millions)	
	March 31, 2019	March 31, 2018
Current tax		
Current tax on profits for the year	107.56	71.62
Adjustments for current tax of prior periods	(5.12)	2.45
Total current tax expense	102.44	74.07

Notes to the Standalone Financial Statements (Contd.)

As at March 31, 2019

Particulars	₹ in Millions	
	March 31, 2019	March 31, 2018
Deferred tax		
Decrease/(increase) in deferred tax assets	(4.33)	42.69
Adjustments for deferred tax of prior periods	1.88	-
Total deferred tax expense/(benefit)	(2.45)	42.69
Income tax expense	99.99	116.76

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

Particulars	₹ in Millions	
	March 31, 2019	March 31, 2018
Profit for the year	392.35	523.45
Statutory tax rate applicable to Datamatics Global Services Limited	34.94%	34.61%
Tax expense at applicable tax rate	137.10	180.95
Tax effects of:		
Income taxed at higher/ (lower) rates	(4.28)	5.14
Amounts which are not deductible (taxable)	2.46	(13.12)
Tax holiday & exempt income	(22.14)	(33.12)
Adjustments for tax of prior periods	(3.24)	2.45
Basis difference that will reverse during tax holiday period	(0.01)	(0.04)
Taxable due to change in tax base	(9.38)	(7.46)
Previously unrecognised tax losses now recouped to reduce current tax expense	-	(11.22)
Other	(0.52)	(6.82)
Income tax expense	99.99	116.76

8(c) - Deferred tax

Particulars	March 31, 2018	Recognized in P&L	MAT credit utilised	Recognized in OCI	₹ in Millions
					March 31, 2019
Deferred Tax Assets					
Employee benefits	37.73	7.58	-	1.41	46.72
Provision for doubtful debts	42.04	(6.96)	-	-	35.08
Investment in subsidiaries	174.91	13.16	-	-	188.06
MAT credit	87.50	-	(82.64)	-	4.86
Others	16.16	4.09	-	-	20.25
Total Deferred Tax Assets	358.34	17.87	(82.64)	1.41	294.98
Deferred Tax Liabilities					
Depreciation	18.26	14.12	-	-	32.37
Unrealised gain on securities carried at fair value through profit or loss / other comprehensive income	3.10	1.35	-	(0.06)	4.40
Cash flow hedging	(16.89)	-	-	42.68	25.79
Others	0.05	(0.05)	-	-	-
Total Deferred Tax Liabilities	4.52	15.42	-	42.62	62.56
Net Deferred Tax	353.82	2.45	(82.64)	(41.21)	232.42

9. Non-current tax assets (net)

Particulars	₹ in Millions	
	March 31, 2019	March 31, 2018
Advance tax and tax deducted at source (net of provision for tax)	115.42	34.62
Total	115.42	34.62

Notes to the Standalone Financial Statements (Contd.)

As at March 31, 2019

10. Other non-current assets

Particulars	(₹ in Millions)	
	March 31, 2019	March 31, 2018
Other advances -		
Prepaid expenses	0.78	2.83
Balance with govt authorities	0.05	8.02
Total	0.83	10.85

11. Current investments

Particulars	(₹ in Millions)	
	March 31, 2019	March 31, 2018
Investment in mutual funds		
Quoted (at FVTPL)		
2,563,272 (P.Y. 1,960,938) units of Templeton India Low Duration Fund - Growth (Face Value of ₹ 10 each)	55.73	39.17
375,340 (P.Y. 375,340) units of IDFC Corporate Bond Fund - Growth (Face Value of ₹ 10 each)	4.78	4.46
133,518 (P.Y. 133,518) units of TATA Short Term Bond Fund - Growth (Face Value of ₹ 10 each)	4.54	4.48
205,295 (P.Y. 205,295) units of Aditya Birla Sun Life Corporate Bond Fund - Growth (Face Value of ₹10 each)	14.71	13.64
298,051 (P.Y. 175,039) units of ICICI Prudential Liquid Fund - Growth (Face Value of ₹ 100 each)	82.08	44.88
Total	161.84	106.63
Aggregate amount of quoted investments	161.84	106.63
Aggregate market value of quoted investments	161.84	106.63

12. Trade receivables

Particulars	(₹ in Millions)	
	March 31, 2019	March 31, 2018
Unsecured		
Considered good (Refer Note No.38)	916.20	930.37
Less :- Allowance for doubtful trade receivable	-	-
	916.20	930.37
Credit impaired	94.21	117.56
Less :- Allowance for doubtful trade receivable (Refer Note No.36)	94.21	117.56
	-	-
Total	916.20	930.37

13. Cash and cash equivalents

Particulars	(₹ in Millions)	
	March 31, 2019	March 31, 2018
Bank balances	52.18	75.98
Cheque in hand	10.74	-
Cash on hand	2.41	2.05
Total	65.33	78.03

14. Other bank balances

Particulars	(₹ in Millions)	
	March 31, 2019	March 31, 2018
Margin money deposits*	36.09	5.58
Unpaid dividend account**	1.75	1.87
Total	37.84	7.45

* Of the above ₹ 36.09 million (As at March 31, 2018: ₹ 5.58 million) are marked as lien for guarantees issued by banks on behalf of the Company.

** The Company can utilise balances only towards settlement of the unpaid dividend.

Notes to the Standalone Financial Statements (Contd.)

As at March 31, 2019

15. Current Loans

Particulars	(₹ in Millions)	
	March 31, 2019	March 31, 2018
(Unsecured, Considered Good, unless specified otherwise)		
Others -		
Loan to employees	0.31	2.62
Total	0.31	2.62

16. Other current financial assets

Particulars	(₹ in Millions)	
	March 31, 2019	March 31, 2018
Security deposits	9.06	7.44
Receivable from related parties (Refer Note No. 38)	37.48	31.43
Others -		
Interest accrued	0.05	0.22
Fair value of outstanding forward contracts (FVOCI)	40.31	6.65
Unbilled revenue	415.17	271.95
Total	502.07	317.69

17. Current tax assets (net)

Particulars	(₹ in Millions)	
	March 31, 2019	March 31, 2018
Advance tax and tax deducted at source (net of provision for tax)	17.49	9.58
Total	17.49	9.58

18. Other current assets

Particulars	(₹ in Millions)	
	March 31, 2019	March 31, 2018
Advance to Vendors	17.00	13.83
Advance to staff	5.57	11.84
Balance with govt authorities	3.81	-
Prepaid expenses	35.00	28.88
Other assets	-	0.03
Total	61.38	54.58

19. Share capital and other equity

19(a) Equity share capital

(i) Authorised share capital of face value of ₹ 5/- each

Particulars	Number of shares	₹ in Millions
As at March 31, 2017	100,000,000	500.00
Increase during the year	-	-
As at March 31, 2018	100,000,000	500.00
Increase during the year	-	-
As at March 31, 2019	100,000,000	500.00

Authorised redeemable preference share capital of face value of ₹ 10/- each

Particulars	Number of shares	₹ in Millions
As at March 31, 2017	45,550,000	455.50
Increase during the year	-	-
As at March 31, 2018	45,550,000	455.50
Increase during the year	-	-
As at March 31, 2019	45,550,000	455.50

Notes to the Standalone Financial Statements (Contd.)

As at March 31, 2019

Issued, Subscribed and Paid-up equity share capital of face value of ₹ 5/- each

Particulars	Number of shares	₹ in Millions
As at March 31, 2017	58,949,337	294.75
Increase during the year	-	-
As at March 31, 2018	58,949,337	294.75
Increase during the year	-	-
As at March 31, 2019	58,949,337	294.75

(ii) Movements in equity share capital

Particulars	Number of shares	₹ in Millions
As at March 31, 2017	58,949,337	294.75
Other movements	-	-
As at March 31, 2018	58,949,337	294.75
Other movements	-	-
As at March 31, 2019	58,949,337	294.75

(iii) Shares of the company held by holding company

Particulars	₹ in Millions	
	March 31, 2019	March 31, 2018
31,813,742 (P.Y. 31,813,742) Equity shares of ₹ 5/- held by Delta Infosolutions Private Limited	159.07	159.07

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

Particulars	March 31, 2019		March 31, 2018	
	Number of shares	% Holding	Number of shares	% Holding
Delta Infosolutions Private Limited	31,813,742	53.97%	31,813,742	53.97%
Lalit Surajmal Kanodia	3,477,995	5.90%	3,530,995	5.99%
Asha Lalit Kanodia	3,305,258	5.61%	3,605,258	6.12%

(v) Terms / rights attached to equity shares

The Company, at present, has one class of equity shares having a par value of ₹ 5 per share. Each shareholder is eligible for one vote per share held. The voting rights on Unclaimed Suspense Account shares are frozen till the rightful owner of such shares claims the shares. The Company declares and pays dividend in Indian Rupees. The remittance of dividends outside India is governed by Indian law on foreign exchange and is subject to applicable distribution taxes. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The Board of Directors, in their meeting held on May 9, 2019 proposed a Dividend of ₹ 1.00 per equity share. The proposal is subject to the approval of shareholders at the Annual General Meeting. The total dividend declared for the year ended March 31, 2019 amounted to ₹ 58.95 million and corporate dividend tax of ₹ 9.92 million.

19(b) Other Equity

Particulars		₹ in Millions	
		March 31, 2019	March 31, 2018
Securities premium	Refer Note (i) below	1,080.08	1,080.08
Retained earnings		1,989.55	1,721.80
General reserve	Refer Note (ii) below	1,077.14	1,077.14
Capital reserve	Refer Note (iii) below	35.60	35.60
Capital redemption reserve	Refer Note (iv) below	244.28	244.28
OCI -			
Equity investments	Refer Note (v) below	4.27	2.63
Actuarial gains and losses		(8.11)	(5.61)
Cash flow hedging reserve	Refer Note (vi) below	48.03	21.74
Total		4,470.84	4,177.66

Notes to the Standalone Financial Statements (Contd.)

As at March 31, 2019

Nature of reserves

(i) Securities Premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

(ii) General Reserve

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to statement of profit and loss.

(iii) Capital Reserve

Capital reserve created on the merger of one of the subsidiaries with the company.

(iv) Capital Redemption Reserve

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve.

(v) OCI - Equity investments

The company recognises unrealised and realised gain on equity shares in FVOCI - Equity investments.

(vi) OCI - Cash Flow Hedging Reserve

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve. Such gains or losses will be reclassified to statement of profit and loss in the period in which the hedged transaction occurs.

20. Other non-current financial liabilities

Particulars	(₹ in Millions)	
	March 31, 2019	March 31, 2018
Creditor for capital expenditure	0.56	0.55
Fair value of outstanding corporate guarantees (FVTPL)	17.48	17.48
Fair value of outstanding forward contracts (FVOCI)	-	1.80
Fair value of contingent consideration	-	159.00
Total	18.04	178.83

21. Non-current Provisions

Particulars	(₹ in Millions)	
	March 31, 2019	March 31, 2018
Unfunded (Refer Note No.42)		
Provisions for employee benefits		
Gratuity	81.10	68.50
Leave encashment	41.66	33.01
Total	122.76	101.51

22. Current borrowings

Particulars	(₹ in Millions)	
	March 31, 2019	March 31, 2018
Working capital loan		
From Banks (Secured)*	-	113.93
From Others (Secured)*	262.50	350.00
Total	262.50	463.93

* Notes -

Working capital loans from Standard Chartered Bank, ICICI Bank and Citibank N.A. are secured by way of first pari passu charge on hypothecation of stock, book debts and movable property, plant and equipments of the Company, both, past and present.

Notes to the Standalone Financial Statements (Contd.)

As at March 31, 2019

Term loan from Citicorp Finance (India) Limited is secured by way of creation of mortgage and exclusive charge in favour of Company in respect of its Immovable properties being all the piece and parcel of the land bearing Plot No. 58 in MIDC at Mumbai and 2nd Floor and 3rd Floor in Suyojit Commercial Complex, at Nashik.

Term - 3 years

Repayment terms - 8 Equated Quarterly Instalments of principal (together with interest) after 15 months from the date of first draw down. Loan shall always be repayable on demand at the sole discretion of the Company hence considered as current borrowings.

23. Trade payables

Particulars	₹ in Millions)	
	March 31, 2019	March 31, 2018
Dues of Micro and small enterprises	0.13	-
Dues other than Micro and small enterprises	386.85	317.10
Total	386.98	317.10

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

Particulars	₹ in Millions)	
	March 31, 2019	March 31, 2018
(a) Dues remaining unpaid		
- Principal	0.13	-
- Interest on above*	0.01	-
(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*	-	-

* The Company has not provided any interest on the amount outstanding beyond stipulated period.

24. Other current financial liabilities

Particulars	₹ in Millions)	
	March 31, 2019	March 31, 2018
Fair value of contingent consideration	116.00	-
Deposits received	1.42	-
Unclaimed dividend	1.75	1.87
Other payables	6.58	6.58
Total	125.75	8.45

Dividend ₹ 0.19 million (₹ 0.26 million) unclaimed for a period of more than seven years has been transferred to Investor's Education and Protection Fund during the year. Further, there are no amounts due and outstanding to be credited to Investor's Education and Protection Fund as at March 31, 2019.

25. Current Provisions

Particulars	₹ in Millions)	
	March 31, 2019	March 31, 2018
Unfunded (Refer Note No.42)		
Provisions for employee benefits		
Gratuity	17.82	6.14
Leave encashment	4.09	13.13
Total	21.91	19.27

Notes to the Standalone Financial Statements (Contd.)

As at March 31, 2019

26. Current tax liabilities (net)

Particulars	₹ in Millions	
	March 31, 2019	March 31, 2018
Provision for tax (net of advance tax)	-	12.44
Total	-	12.44

27. Other current liabilities

Particulars	₹ in Millions	
	March 31, 2019	March 31, 2018
Statutory dues	38.46	44.48
Advance from customers	13.18	-
Unearned revenue	39.76	7.77
Total	91.40	52.25

28. Revenue from operations

Particulars	₹ in Millions	
	March 31, 2019	March 31, 2018
Sales -export	2,547.44	2,216.17
Sales -domestic	1,349.28	1,162.33
Total	3,896.72	3,378.50

29. Other income

Particulars	₹ in Millions	
	March 31, 2019	March 31, 2018
Interest Income	0.68	4.98
Dividend on share investment	0.49	0.41
Dividend from joint venture	-	49.26
Profit on sale of investments carried out FVTPL	7.80	31.02
Guarantee fees received	1.96	2.46
Profit on sale of fixed assets	-	0.19
Unrealised gain on fair value of financial assets	26.57	24.88
Exchange gain (net)	14.71	103.24
Provision no longer required written back	1.62	-
Miscellaneous receipts	12.66	9.99
Total	66.49	226.43

30. Purchase of products and licenses

Particulars	₹ in Millions	
	March 31, 2019	March 31, 2018
Purchase of IT products and licenses	36.62	49.43
Total	36.62	49.43

31. Employee benefit expenses

Particulars	₹ in Millions	
	March 31, 2019	March 31, 2018
Salary, wages & allowances	2,167.94	1,854.29
Contribution towards provident & other funds	102.18	94.00
Staff welfare expense	61.99	52.39
Total	2,332.11	2,000.68

Notes to the Standalone Financial Statements (Contd.)

As at March 31, 2019

32. Finance costs

Particulars	(₹ in Millions)	
	March 31, 2019	March 31, 2018
Interest on loan from banks	30.17	25.46
Interest on loan others	1.02	4.56
Other borrowing costs	3.31	4.39
Total	34.50	34.41

33. Depreciation and Amortisation Expenses

Particulars	(₹ in Millions)	
	March 31, 2019	March 31, 2018
Depreciation on property plant and equipment	66.47	65.60
Amortisation on intangible assets	53.85	36.73
Total	120.32	102.33

34. Other expenses

Particulars	(₹ in Millions)	
	March 31, 2019	March 31, 2018
IT infrastructure & development cost	54.07	21.54
Technical fees	267.21	159.49
Outsourcing cost	10.65	10.65
Vendor charges	47.09	58.73
Link charges	21.77	19.07
Software maintenance expenses	36.55	47.37
Recruitment charges	25.64	27.09
Travelling expenses	220.27	234.50
Rent	55.09	52.47
Electricity expenses	67.68	64.04
Water charges	2.15	2.04
Communication charges	14.94	14.98
Rates & taxes	16.39	12.77
Insurance	5.39	3.18
Repairs & maintenance expenses	29.76	27.12
Hire charegs	16.06	12.64
Legal & professional expenses	76.09	68.14
Board sitting fees	0.98	0.73
Audit fees (Refer Note No.46)	3.85	4.43
Security charges	14.98	13.46
Subscription expenses	9.04	9.03
Sales commission	-	0.99
Vehicle expenses	5.72	5.01
Printing & stationery	4.74	4.01
Entertainment expenses	4.45	4.69
Bank charges	3.51	2.95
Sales promotion	14.83	6.35
Bad debts	24.97	
Less: Provision for doubtful debts written back	(24.97)	3.06
Provision for doubtful debts	4.87	-
Provision for doubtful deposit	6.17	-
Loss on sale of assets	0.03	-
Expenditure on CSR	1.21	1.48
Miscellaneous expenses	6.13	2.62
Total	1,047.31	894.63

Notes to the Standalone Financial Statements (Contd.)

As at March 31, 2019

35. Fair value measurements

Financial instruments by category

(₹ in Millions)

Particulars	March 31, 2019			March 31, 2018		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Mutual funds	161.84	-	-	106.63	-	-
- Debentures	-	-	-	11.89	-	-
- Equity instruments (other than investment in subsidiary and JV)	-	21.89	-	-	20.25	-
- Preference shares	299.68	-	-	295.29	-	-
Trade receivables	-	-	916.20	-	-	930.37
Cash and cash equivalents	-	-	65.33	-	-	78.03
Bank balances other than cash and cash equivalents	-	-	37.84	-	-	7.45
Security deposit	-	-	45.23	-	-	49.59
Fair value of outstanding forward contracts	-	73.81	-	-	6.65	-
Fair value of outstanding corporate guarantees	17.48	-	-	17.48	-	-
Loan to employees	-	-	0.60	-	-	3.08
Unbilled revenue	-	-	415.17	-	-	271.95
Other receivables	-	-	37.53	-	-	31.65
Total financial assets	479.00	95.70	1,517.90	431.29	26.90	1,372.12
Financial liabilities						
Borrowings	-	-	262.50	-	-	463.93
Trade payables	-	-	386.98	-	-	317.10
Fair value of outstanding corporate guarantees	17.48	-	-	17.48	-	-
Fair Value of outstanding forward contracts	-	-	-	-	1.80	-
Fair Value of contingent consideration	116.00	-	-	159.00	-	-
Other payables	-	-	10.31	-	-	9.00
Total financial liabilities	133.48	-	659.79	176.48	1.80	790.03

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.

(₹ in Millions)

Financial assets and liabilities measured at fair value At March 31, 2019	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVPL				
Mutual funds	161.84	-	-	161.84
Preference shares	-	-	299.68	299.68
Fair value of outstanding corporate guarantees	-	-	17.48	17.48
Financial Investments at FVOCI				
Fair value of outstanding forward contracts	-	73.81	-	73.81
Equity instruments	21.89	-	-	21.89
Total financial assets	183.73	73.81	317.16	574.70
Financial Liabilities				

Notes to the Standalone Financial Statements (Contd.)

As at March 31, 2019

				(₹ in Millions)
Financial assets and liabilities measured at fair value At March 31, 2019	Level 1	Level 2	Level 3	Total
Fair value of outstanding corporate guarantees	-	-	17.48	17.48
Fair value of contingent consideration	-	-	116.00	116.00
Total financial liabilities	-	-	133.48	133.48

				(₹ in Millions)
Financial assets and liabilities measured at fair value At March 31, 2018	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVPL				
Mutual funds	106.63	-	-	106.63
Debentures	11.89	-	-	11.89
Preference shares	-	-	295.29	295.29
Fair value of outstanding corporate guarantees	-	-	17.48	17.48
Financial Investments at FVOCI				
Fair value of outstanding forward contracts	-	6.65	-	6.65
Equity instruments	20.25	-	-	20.25
Total financial assets	138.77	6.65	312.77	458.19
Financial Liabilities				
Fair value of outstanding corporate guarantees	-	-	17.48	17.48
Fair value of outstanding forward contracts	-	1.80	-	1.80
Fair value of contingent consideration	-	-	159.00	159.00
Total financial liabilities	-	1.80	176.48	178.28

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

Reconciliation of Level 3 fair value measurement is as follows:

		(₹ in Millions)
Particulars		Amount
Balance as on March 31, 2017		328.83
Change in the value		(192.54)
Balance as on March 31, 2018		136.29
Change in the value		47.39
Balance as on March 31, 2019		183.68

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, cash and cash equivalents, bank balances, unbilled revenue and other financial assets 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.

36. 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.

Notes to the Standalone Financial Statements (Contd.)

As at March 31, 2019

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and financial assets	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and Trade payable	Maturity analysis, cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Import Payables and Receivables on Indenting services	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts
Market risk – security prices	Investments in equity securities	Sensitivity analysis	Portfolio diversification

The Board provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk, liquidity risk, and foreign exchange risk effecting business operations. The company's risk management is carried out by the management as per guidelines and policies approved by the Board of Directors.

A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses the direct risk of default, risk of deterioration of creditworthiness as well as concentration risks. The Company is exposed to credit risk from its operating activities (primarily trade receivables), deposits with banks and loans given.

Credit risk management

The company's credit risk mainly from trade receivables as these are typically unsecured. This credit risk has always been managed through credit approvals, establishing credit limits and continuous monitoring the creditworthiness of customers to whom credit is extended in the normal course of business. The Company estimates the expected credit loss based on past data, available information on public domain and experience. Expected credit losses of financial assets receivable are estimated based on historical data of the Company. The company has provisioning policy for expected credit losses. There is no credit risk in bank deposits which are demand deposits. The credit risk is minimum in case of entity / person to whom loan has been given.

The maximum exposure to credit risk as at March 31, 2019 and March 31, 2018 is the carrying value of such trade receivables as shown in Note 12 of the financials. Reconciliation of loss allowance provision – Trade receivables.

Particulars	₹ In millions
Loss allowance on March 31, 2017	123.57
Changes in loss allowance	(6.01)
Loss allowance on March 31, 2018	117.56
Changes in loss allowance	(23.35)
Loss allowance on March 31, 2019	94.21

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

Notes to the Standalone Financial Statements (Contd.)

As at March 31, 2019

highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

The company's risk management policy is to hedge around 70% to 85% of forecasted revenue for the subsequent 24 months. As per the risk management policy, foreign exchange forward contracts are taken to hedge around 70% to 85% of the forecasted revenue.

a) **Foreign currency risk exposure:**

Details of foreign currency exposures not covered by derivative instruments as at March 31, 2019 and March 31, 2018 are given below :

Particulars	Currency	(₹ in Millions)			
		March 31, 2019		March 31, 2018	
		Foreign Currency	₹ In Millions	Foreign Currency	₹ In Millions
Receivables	USD	4.34	299.92	6.78	441.77
	GBP	1.24	111.27	1.22	112.53
	EUR	0.45	35.04	0.77	62.31
	CHF	0.28	19.75	0.51	34.85
	AUD	0.15	7.33	0.45	22.47
	AED	-	-	0.08	1.35
	CAD	0.01	0.51	0.03	1.30
Payables	SEK	0.19	1.40	0.14	1.10
	USD	1.40	96.66	0.20	12.81
	EUR	0.01	1.03	0.01	0.98
Loans	CHF	0.01	0.44	0.02	1.68
	GBP	0.07	6.16	0.04	3.92
	USD	-	-	1.74	113.40

Note :

The amount mentioned above included ECB Loan as on March 31, 2019 Nil (March 31, 2018 USD 1.74 million) is treated by the Company as natural hedge by assigning future export receivable against repayment of ECB loan and USD receivable against repayment of ECB loan.

b) **Sensitivity**

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

Particulars	(₹ in Millions)	
	March 31, 2019	March 31, 2018
USD	10.16	15.78
GBP	5.26	5.43
EUR	1.70	3.07
CHF	0.97	1.66
AUD	0.37	1.12

* Holding all other variables constant

ii) **Cash flow and fair value interest rate risk**

The company's main interest rate risk arises from long-term borrowings with variable rates, which expose the company to cash flow interest rate risk. company policy is to maintain most of its borrowings at fixed rate using interest rate swaps to achieve this when necessary. During the previous year ended March 31, 2018, the company's borrowings at variable rate were mainly denominated in INR and USD .

The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Notes to the Standalone Financial Statements (Contd.)

As at March 31, 2019

a) Interest rate risk exposure

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	(₹ in Millions)	
	March 31, 2019	March 31, 2018
Variable rate borrowings	-	113.93
Fixed rate borrowings	262.50	350.00
Total borrowings	262.50	463.93

As at the end of the reporting period, the company had the following variable rate borrowings outstanding:

	March 31, 2019			March 31, 2018		
	Weighted average interest rate %	Balance (₹ In Millions)	% of total loans	Weighted average interest rate %	Balance (₹ In Millions)	% of total loans
ECB and PCFC Loans	-	-	-	4.07%	113.93	25%

b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

	(₹ in Millions)	
	March 31, 2019	March 31, 2018
Interest rates – increase by 70 basis points (70 bps) *	-	(0.79)
Interest rates – decrease by 70 basis points (70 bps) *	-	0.79

* Holding all other variables constant

iii) Price risk

a) Exposure

The company's exposure to equity securities price risk arises from investments held by the company and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss.

To manage its price risk arising from investments in equity securities, the company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the company.

All of the company's equity investments are publicly traded.

37. Capital management

a) Risk management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a debt equity ratio and is measured by borrowings divided by total equity. Borrowing includes current maturities of long term borrowings.

	(₹ in Millions)	
	March 31, 2019	March 31, 2018
Borrowings	262.50	463.93
Total equity	4,765.59	4,472.41
Borrowing to equity ratio	0.06	0.10

Notes to the Standalone Financial Statements (Contd.)

As at March 31, 2019

b) Dividends

Particulars	March 31, 2019	March 31, 2018
(i) Equity shares		
Final dividend for the year ended March 31, 2018 of ₹ 0.25 (March 31, 2017 – ₹ 0.75) per fully paid share	14.74	44.21
Interim dividend for the year ended March 31, 2019 of Nil (March 31, 2018 – ₹ 0.50) per fully paid share	-	29.47
(ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of Re. 1.00 per fully paid equity share (March 31, 2018 – ₹ 0.25). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	58.95	14.74

38. 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	(B) Joint Venture Company
Datamatics Global Services Inc.	Cybercom Datamatics Information Solutions Limited
Datamatics Global Technologies Limited	Elevondata Labs Holdings Inc (upto March 15, 2018)
Datamatics Global Technologies AG	Elevondata Labs Private Limited (upto March 15, 2018)
Datamatics Infotech Limited	Elevondata LLC (upto March 15, 2018)
LD Publishing & eRetail Limited	
Datamatics Global Services FZ LLC	(C) Key Managerial Personnel
Datamatics Global Services Pty. Limited	Dr. Lalit S. Kanodia, Chairman
Datamatics Robotics Software Limited	Mr. Rahul L. Kanodia, Vice chairman & CEO
Datamatics Global Technologies GmbH (Stepdown Subsidiary)	Mr. Sameer L. Kanodia, Director
Datamatics Robotics Software Inc (Stepdown Subsidiary)	Ms. Divya Kumat, Company Secretary
Datamatics Global Services Corp. (Stepdown Subsidiary)	Mr. Sandeep Mantri, Chief Financial Officer
RJ Globus Solutions Inc (Stepdown Subsidiary) (w.e.f. April 7, 2018)	
RJ Globus Inc (Stepdown subsidiary) (w.e.f. April 7, 2018)	(D) Relatives of Key Managerial Personnel and
RJ Globus Solutions Private Limited (Stepdown Subsidiary)	Enterprise owned by Key Managerial Personnel
Cignex Datamatics Corporation (Stepdown Subsidiary)	Mrs. Asha L. Kanodia
Cignex Datamatics Technologies Limited (Stepdown Subsidiary)	Mrs. Aneesa Dalmia
Cignex Datamatics Inc. (Stepdown Subsidiary)	Mrs. Priyadarshini Kanodia
Cignex Datamatics Pte. Limited (Stepdown Subsidiary)	Datamatics Staffing Services Limited (upto March 17, 2019)
Cignex Datamatics GmbH (Stepdown Subsidiary)	Datamatics Business Solutions Limited
Cignex Datamatics UK Limited (Stepdown Subsidiary)	Datamatics Infotech Services Private Limited
Duo Consulting, Inc. (Stepdown Subsidiary)	
Attune Infocom Private Limited (Stepdown Subsidiary)	(E) Holding Company
Lumina Datamatics Limited	Delta Infosolutions Private Limited
Lumina Datamatics Inc. (Stepdown Subsidiary)	
Lumina Datamatics GmbH (Stepdown Subsidiary)	
LDR eRetail Limited (Stepdown Subsidiary)	
Lumina Datamatics Assessment and Analytics, LLC (Stepdown Subsidiary)	
Datamatics Digital Limited	
Techjini Inc (Stepdown Subsidiary)	
Datamatics Staffing Services Limited (Stepdown Subsidiary) (w.e.f. March 18, 2019)	

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As at March 31, 2019

(ii) Details of transactions with the related parties stated in (i) above :

Sr. No.	Particulars	(i) A		(i) B		(i) C		(i) D		(i) E	
		2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
[A]	Transactions during the year ended										
i	Revenue from operations										
	Datamatics Global Services Inc.	1,068.92	934.20	-	-	-	-	-	-	-	-
	Datamatics Global Technologies Limited	345.52	380.99	-	-	-	-	-	-	-	-
	Datamatics Global Services Pty. Limited	7.65	6.57	-	-	-	-	-	-	-	-
	Datamatics Infotech Limited	8.07	6.33	-	-	-	-	-	-	-	-
	Lumina Datamatics Limited	695.43	508.63	-	-	-	-	-	-	-	-
	Gignex Datamatics Inc.	0.34	0.54	-	-	-	-	-	-	-	-
	Gignex Datamatics Technologies Limited	12.45	15.08	-	-	-	-	-	-	-	-
	Datamatics Robotics Software Limited	4.92	16.06	-	-	-	-	-	-	-	-
	Datamatics Business Solutions Limited	(5.46)	-	-	-	-	-	-	-	-	-
ii	Technical fees										
	Datamatics Global Services Inc.	133.93	12.26	3.38	3.17	-	-	-	-	-	-
	Datamatics Global Technologies AG	85.70	-	-	-	-	-	-	-	-	-
	Datamatics Robotics Software Limited	15.32	4.14	-	-	-	-	-	-	-	-
	Datamatics Global Technologies Limited	3.06	-	-	-	-	-	-	-	-	-
	Datamatics Infotech Limited	-	1.76	-	-	-	-	-	-	-	-
	Gignex Datamatics Technologies Limited	22.53	3.92	-	-	-	-	-	-	-	-
	Cybercom Datamatics Information Solutions Limited	7.32	2.44	-	-	-	-	-	-	-	-
iii	Outsourcing cost										
	Datamatics Staffing Services Limited	-	-	-	-	-	-	-	-	0.72	-
iv	Expenses incurred by related parties										
	Datamatics Global Services Inc.	49.69	0.05	-	-	-	-	-	-	-	-
	Datamatics Global Services Pty. Limited	49.69	-	-	-	-	-	-	-	-	-
v	Expenses incurred for related parties										
	Gignex Datamatics Technologies Limited	20.57	38.28	-	-	-	-	-	-	-	-
	Lumina Datamatics Limited	3.65	7.72	-	-	-	-	-	-	-	-
	Datamatics Robotics Software Limited	14.74	28.97	-	-	-	-	-	-	-	-
	Gignex Datamatics Pte Ltd	1.42	-	-	-	-	-	-	-	-	-
	Lumina Datamatics GmbH	-	0.02	-	-	-	-	-	-	-	-
	LDR e-Retail Limited	-	0.05	-	-	-	-	-	-	-	-
		0.76	1.52	-	-	-	-	-	-	-	-
vi	Recruitment expenses										
	Datamatics Staffing Services Limited	-	-	-	-	-	-	-	-	3.50	-
vii	Legal and professional fees										
	Datamatics Business Solutions Limited	-	-	-	-	-	-	-	-	0.26	0.68
	Mrs. Aneesha Dalmia	-	-	-	-	-	-	-	-	0.26	0.24
viii	Communication expenses										
	Datamatics Business Solutions Limited	-	-	-	-	-	-	-	-	-	0.01
		-	-	-	-	-	-	-	-	-	0.01

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As at March 31, 2019

Sr. No.	Particulars	(i) A		(i) B		(i) C		(i) D		(i) E	
		2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
		(` in Millions)									
ix	Write off of investment Datamatics Global Services GmbH	-	195.95	-	-	-	-	-	-	-	-
x	Managerial remuneration Dr. Lalit S. Kanodia Mr. Rahul L. Kanodia Mr. Sameer L. Kanodia	-	-	-	-	22.06	21.32	-	-	-	-
xi	Salaries and allowances Ms. Divya Kumrat Mr. Sandeep Mantri Mrs. Priyadarshini Kanodia	-	-	-	-	15.90	14.68	3.13	2.74	-	-
xii	Commission Dr. Lalit S. Kanodia Mr. Rahul L. Kanodia Mrs. Asha L. Kanodia	-	-	-	-	7.70	9.98	0.21	0.15	-	-
xiii	Board sitting fees Mrs. Asha L. Kanodia	-	-	-	-	-	-	0.19	0.13	-	-
xiv	Purchase of Property, plant and equipment Mrs. Aneesha Dalmia	-	-	-	-	-	-	0.78	0.57	-	-
xv	Corporate guarantee fees Datamatics Global Services Inc. Gignex Datamatics Technologies Limited Cybercom Datamatics Information Solutions Limited	0.96	1.46	1.00	1.00	-	-	-	-	-	-
xvi	Dividend income Cybercom Datamatics Information Solutions Limited	-	-	-	49.27	-	-	-	-	-	-
xvii	Interest expenses Dr. Lalit S. Kanodia Mr. Sameer L. Kanodia Mrs. Asha L. Kanodia	-	-	-	-	-	3.32	-	1.24	-	-
xviii	Repayment of borrowings during the year Dr. Lalit S. Kanodia Mr. Sameer L. Kanodia Mrs. Asha L. Kanodia	-	-	-	-	-	72.80	-	27.20	-	-
xix	Dividend Paid Dr. Lalit S. Kanodia Mr. Sameer L. Kanodia Mrs. Asha L. Kanodia Mrs. Priyadarshini Kanodia Delta Infosolutions Private Limited	-	-	-	-	1.18	5.88	1.20	5.98	7.95	39.77

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Sr. No.	Particulars	(i) A		(i) B		(i) C		(i) D		(i) E	
		2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
xx	Loans and advances refunded during the year										
	Datamatics Infotech Limited	41.67	37.09	0.01	0.01	-	-	-	-	0.48	-
	Datamatics Global Services FZ-LLC	15.33	0.04	-	-	-	-	-	-	-	-
	Datamatics Global Services Pty. Limited	18.69	24.80	-	-	-	-	-	-	-	-
	Datamatics Global Services Inc.	0.95	0.02	-	-	-	-	-	-	-	-
	Cignex Datamatics Inc	0.20	1.39	-	-	-	-	-	-	-	-
	Cignex Datamatics Technologies Limited	-	3.16	-	-	-	-	-	-	-	-
	Cignex Datamatics Technologies Limited	-	1.51	-	-	-	-	-	-	-	-
	Lumina Datamatics GmbH	0.05	-	-	-	-	-	-	-	-	-
	Lumina Datamatics Limited	6.35	5.64	-	-	-	-	-	-	-	-
	LDR e-Retail Limited	-	0.53	-	-	-	-	-	-	-	-
	Datamatics Robotics Software Limited	0.10	-	-	-	-	-	-	-	-	-
	Cybercom Datamatics Information Solutions Limited	-	-	0.01	0.01	-	-	-	-	-	-
	Datamatics Staffing Services Limited	-	-	-	-	-	-	-	0.48	-	-
xxi	Loans and advances given during the year										
	Datamatics Global Services Inc.	47.24	31.09	0.24	0.06	-	-	0.26	2.00	-	-
	Datamatics Global Technologies AG	1.33	2.79	-	-	-	-	-	-	-	-
	Datamatics Robotics Software Limited	0.03	-	-	-	-	-	-	-	-	-
	Datamatics Robotics Software Limited	21.82	-	-	-	-	-	-	-	-	-
	Datamatics Infotech Limited	10.06	5.07	-	-	-	-	-	-	-	-
	Datamatics Global Services Pty. Limited	0.34	0.68	-	-	-	-	-	-	-	-
	Lumina Datamatics Limited	1.96	4.90	-	-	-	-	-	-	-	-
	Datamatics Global Services FZ-LLC	11.68	17.58	-	-	-	-	-	-	-	-
	Cignex Datamatics Inc.	-	0.07	-	-	-	-	-	-	-	-
	Cignex Datamatics Pte. Limited	0.02	-	-	-	-	-	-	-	-	-
	Cybercom Datamatics Information Solutions Limited	-	-	0.24	0.06	-	-	0.26	2.00	-	-
	Datamatics Staffing Services Limited	-	-	-	-	-	-	-	-	-	-
xxii	Investment in capital of subsidiaries										
	Datamatics Digital Limited	55.00	391.00	-	-	-	-	-	-	-	-
	Datamatics Digital Limited	55.00	391.00	-	-	-	-	-	-	-	-
xxiii	Slump Sale										
	Datamatics Robotics Software Limited	18.00	-	-	-	-	-	-	-	-	-
	Datamatics Robotics Software Limited	18.00	-	-	-	-	-	-	-	-	-
xxiv	Redemption of preference shares										
	Datamatics Global Technologies Limited	18.33	50.03	-	-	-	-	-	-	-	-
	Lumina Datamatics Limited	18.33	-	-	-	-	-	-	-	-	-
	Lumina Datamatics Limited	-	50.03	-	-	-	-	-	-	-	-

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As at March 31, 2019

Sr. No.	Particulars	(i) A		(i) B		(i) C		(i) D		(i) E	
		2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
		₹ in Millions									
[B]	Balance as at March 31										
i	Loans and advances receivable										
	Datamatics Global Services Inc.	36.71	30.91	0.55	0.32	-	-	-	-	-	-
	Cignex Datamatics Pte. Limited	12.05	10.92	-	-	-	-	-	-	-	-
	Datamatics Staffing Services Limited	0.03	0.02	-	-	-	-	-	-	-	-
	Datamatics Global Services FZ-LLC	0.26	-	-	-	-	-	-	-	-	-
	Datamatics Infotech Limited	0.57	7.59	-	-	-	-	-	-	-	-
	Datamatics Global Services Pty. Limited	0.82	6.09	-	-	-	-	-	-	-	-
	Lumina Datamatics GmbH	0.31	0.93	-	-	-	-	-	-	-	-
	Datamatics Global Technologies AG	-	0.05	-	-	-	-	-	-	-	-
	Lumina Datamatics Limited	0.90	5.29	-	-	-	-	-	-	-	-
	Datamatics Robotics Software Limited	21.72	-	-	-	-	-	-	-	-	-
	Cybercom Datamatics Information Solutions Limited	-	-	0.55	0.32	-	-	-	-	-	-
ii	Payables										
	Datamatics Infotech Limited	6.46	6.30	-	-	9.20	11.30	-	0.04	-	-
	Datamatics Global Technologies AG	-	3.92	-	-	-	-	-	-	-	-
	Datamatics Global Technologies Limited	1.00	0.80	-	-	-	-	-	-	-	-
	Datamatics Robotics Software Limited	5.46	-	-	-	-	-	-	-	-	-
	Dr. Lalit S. Kanodia	-	-	-	-	3.85	4.99	-	-	-	-
	Mr. Rahul L. Kanodia	-	-	-	-	3.85	4.99	-	-	-	-
	Mr. Sameer L. Kanodia	-	-	-	-	1.50	1.32	-	-	-	-
	Datamatics Business Solutions Limited	-	-	-	-	-	-	-	0.04	-	-
iii	Receivables										
	Datamatics Global Services Inc.	197.57	404.69	0.22	0.15	-	-	3.43	1.64	-	-
	Datamatics Global Technologies Limited	59.17	253.56	-	-	-	-	-	-	-	-
	Datamatics Infotech Limited	1.89	2.29	-	-	-	-	-	-	-	-
	Datamatics Global Services Pty. Limited	120.33	122.55	-	-	-	-	-	-	-	-
	Lumina Datamatics Limited	12.62	4.76	-	-	-	-	-	-	-	-
	Cignex Datamatics Technologies Limited	0.59	19.11	-	-	-	-	-	-	-	-
	Cignex Datamatics Inc.	2.97	2.10	-	-	-	-	-	-	-	-
	Cybercom Datamatics Information Solutions Limited	-	-	0.22	0.15	-	-	-	-	-	-
	Datamatics Business Solutions Limited	-	-	-	-	-	-	3.43	1.64	-	-
iv	Guarantees										
	Cignex Datamatics Technologies Limited	48.00	48.00	50.00	50.00	-	-	-	-	-	-
	Cybercom Datamatics Information Solutions Limited	48.00	48.00	-	-	-	-	-	-	-	-
		-	-	50.00	50.00	-	-	-	-	-	-

Notes to the Standalone Financial Statements (Contd.)

As at March 31, 2019

39. Leases

The Company's significant leasing arrangements are mainly in respect of residential and office premises. The aggregate lease rentals payable on these leasing arrangements are charged as rent under "Other expenses" in Note 34. These leasing arrangements are for a period not exceeding five years and are in most cases renewable by mutual consent, on mutually agreeable terms.

Future lease rentals payable from the balance sheet date in respect of non cancellable residential and office premises:

Particulars	₹ in Millions	
	March 31, 2019	March 31, 2018
Within one year	19.32	29.68
Later than one year but not later than five years	10.04	27.13
Later than five years	-	-

Rental expense relating to operating leases

Particulars	₹ in Millions	
	March 31, 2019	March 31, 2018
Total rental expense relating to operating leases	55.09	52.47

Notes:

- Future lease payments are determined on the basis of terms of the lease agreement.
- 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.
- There are no sublease payments as well as no contingent rent.

40. Investment in subsidiaries

The Company has investments of ₹ 646.30 million (Previous year ₹ 646.30 million) in two of its wholly owned subsidiaries and has also extended loans and advances of ₹ 12.09 million (Previous year ₹ 11.82 million) to these subsidiaries as on March 31, 2019. The net worth of these subsidiaries as on March 31, 2019 is ₹ 539.48 million (Previous year ₹ 411.64 million) which is lower than the amount of investment. The investment is for long term and of strategic nature. As the management is confident of turning around these subsidiaries in the near future and hence, no provision for diminution in the value of investment has been considered necessary by the management.

41. Earnings per share

Particulars	March 31, 2019	March 31, 2018
(a) Net Profit after taxation attributable to equity shareholders (₹ in millions)	292.36	406.69
(b) Weighted average number of outstanding equity shares considered for Basic and Diluted EPS (Nos.)	58,949,337	58,949,337
(c) Earnings per share (Nominal value per share ₹ 5 each) Basic and Diluted earnings per share (in ₹) (a/b)	4.96	6.90

42. Employee benefits

The disclosure as required by Ind AS 19 on "Employee Benefits" are given below:

The present value of gratuity obligation are determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation of leave benefits (unfunded) is also recognised using the projected unit credit method.

I. Defined Contribution Plan

Particulars	₹ in Millions	
	March 31, 2019	March 31, 2018
Charge to the Statement of Profit and Loss based on contributions:		
Employers contribution to provident fund	83.51	77.80
Employers contribution to employees' state insurance	15.89	13.94
Employers contribution to employees' pension scheme 1995	2.51	1.98
Employers contribution to labour welfare fund and others	0.27	0.28
Included in contribution to provident fund and other funds (Refer Note No.31)	102.18	94.00

Notes to the Standalone Financial Statements (Contd.)

As at March 31, 2019

II. Defined Benefit Plan

i) Movement in Present Value of Obligation

(₹ in Millions)

Particulars	Gratuity		Leave Encashment	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Present Value of Obligation as at the beginning	74.64	58.95	46.13	49.23
Current Service Cost	10.62	9.72	14.46	6.94
Interest Expense or Cost	5.74	4.22	3.55	3.52
Re-measurement (or Actuarial) (gain) / loss arising from:				
- change in financial assumptions	0.50	(5.00)	0.29	(2.20)
- experience variance (i.e. actual experience vs assumptions)	3.47	6.45	2.95	5.46
Past Service Cost	17.00	9.23	-	-
Benefits Paid	(12.54)	(8.93)	(21.32)	(16.82)
Acquisition adjustment	(0.51)	-	(0.31)	-
Present Value of Obligation as at the end	98.92	74.64	45.75	46.13

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

(₹ in Millions)

Particulars	Gratuity		Leave Encashment	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Current service cost	10.62	9.72	14.46	6.94
Past service cost	17.00	9.24	-	-
Net interest cost on the net defined benefit liability	5.74	4.22	3.55	3.53
Actuarial (gains) / losses	-	-	3.23	3.26
Expenses recognised in Profit & Loss Account	33.36	23.18	21.24	13.73
Other Comprehensive Income				
Actuarial (gains) / losses				
- Change in financial assumptions	0.50	(5.00)	-	-
- Experience variance	3.47	6.45	-	-
Expenses recognised in OCI	3.97	1.45	-	-

iii) Financial Assumptions

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

Particulars	Gratuity		Leave Encashment	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Discount Rate (per annum)	7.65%	7.70%	7.65%	7.70%
Salary growth rate (per annum)	4.50%	4.50%	4.50%	4.50%
Mortality Rate	IALM 06-08	IALM 06-08	IALM 06-08	IALM 06-08

iv) Sensitivity Analysis

(₹ in Millions)

Particulars	Gratuity			
	March 31, 2019		March 31, 2018	
	Decrease	Increase	Decrease	Increase
Discount rate (- / + 0.5%)	104.12	94.16	79.25	70.44
Salary growth rate (- / + 0.5%)	93.99	104.27	70.59	79.00
Attrition rate (- / + 25%)	98.97	98.87	74.57	74.71
Mortality rate (- / + 10%)	98.80	99.03	74.53	74.75

Notes to the Standalone Financial Statements (Contd.)

As at March 31, 2019

Sensitivity Analysis

(₹ in Millions)

Particulars	Leave Encashment			
	March 31, 2019		March 31, 2018	
	Decrease	Increase	Decrease	Increase
Discount rate (- / + 1%)	52.09	40.54	50.38	42.59
Salary growth rate (- / + 1%)	40.34	52.25	42.46	50.47
Attrition rate (- / + 50%)	43.32	47.85	41.78	49.13
Mortality rate (- / + 10%)	45.69	45.81	46.09	46.17

v) Maturity profile of Defined Benefit obligation

(₹ in Millions)

Expected Cash flow over the next (valued on undiscounted basis)	Gratuity	Leave Encashment
	Amount	Amount
1 Year	17.82	4.09
2 to 5 years	21.89	9.89
6 to 10 years	36.96	16.82
More than 10 years	200.25	130.05

43. Contingent Liability and Commitments

Provision is made in the financial statements if it becomes probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

(₹ in Millions)

Contingent Liabilities to the extent not provided for:	March 31, 2019	March 31, 2018
(a) Claims against the Company not acknowledged as debt:		
(i) Income Tax matters	17.74	17.74
(ii) PF related matters		
The Supreme Court in a recent judgement has held that provident fund contributions are payable on basic wage, dearness allowances and all other monthly allowances, which are ordinarily paid to all the employees in the establishment of the Board. There are numerous interpretative issues relating to the judgement and the matter remains sub-judice. As a matter of caution, the Company is consulting in respect of the matter and will make provision on a prospective basis once there is a clarity. However, the impact will be immaterial.		
(b) Details of guarantees outstanding as at:		
(i) Corporate guarantees provided to banks against credit facilities extended to subsidiaries and joint venture	98.00	98.00
(ii) Guarantees given by banks	341.60	165.29
(c) Capital and other commitments:		
(i) Estimated amount of contracts on capital account remaining to be executed and not provided for (net of advances)	-	-

44. Forward contracts in foreign currencies

The Company in accordance with its risk management policies and procedures, enters into foreign currency forward contracts to manage its exposure in foreign exchange rates. The counter party is generally a bank. The foreign exchange forward contracts mature within a period of one month and two years.

The Company uses forward exchange contracts to hedge its exposure in foreign currency on highly probable forecast transactions. The information on derivative instruments is given below. The table below analyzes the derivative financial instruments into relevant maturity groupings based on the remaining period as of the balance sheet date:

Notes to the Standalone Financial Statements (Contd.)

As at March 31, 2019

Particulars	(₹ in Millions)	
	March 31, 2019	March 31, 2018
Not later than one month	139.83	93.27
Later than one month and not later than three months	275.62	187.67
Later than three months and not later than one year	1,088.52	781.54
Later than one year	876.38	215.72
Total	2,380.35	1,278.20

The following are outstanding foreign exchange forward contracts, which have been designated as Cash Flow Hedges, as at:

Foreign Currency	March 31, 2019			March 31, 2018		
	No. of Contracts	Notional amount of Currency Forward contract	Fair Value gain / (loss)	No. of Contracts	Notional amount of Currency Forward contracts	Fair Value gain / (loss)
	(₹ in Millions)					
U.S. Dollar	183	15.62	28.57	107	11.60	24.28
Euro	35	1.79	5.91	7	0.42	(0.63)
Sterling Pound	212	11.10	39.33	92	4.30	(18.80)
Total			73.81			4.85

Net gain on derivative instruments of ₹ 73.81 million (FY 2017-18 ₹ 4.85 million) recognised in Hedging Reserve as of March 31, 2019, is expected to be reclassified to the Statement of Profit and Loss by February 28, 2021.

45. Segment Information

The company publishes standalone financial statements of the company along with the consolidated financial statements. In accordance with Ind AS 108 - Operating segments, the company has disclosed the segment information in the consolidated financial statements.

46. Auditor's Remuneration

Particulars	(₹ in Millions)	
	March 31, 2019	March 31, 2018
For services as auditors, including quarterly audits	2.80	3.27
For tax audit	0.23	0.23
For other services	0.82	0.85
Reimbursement of out of pocket expenses	-	0.08
Total	3.85	4.43

47. Loans and advances to Subsidiaries consist of following

Particulars	(₹ in Millions)			
	Balance Outstanding as on March 31, 2019	Maximum amount outstanding during the year	Balance Outstanding as on March 31, 2018	Maximum amount outstanding during the year
Datamatics Global Services Inc.*	12.05	12.05	10.92	10.92
Datamatics Infotech Limited *	0.82	9.57	6.09	6.09
Datamatics Global Services Pty Limited *	0.31	0.93	0.93	0.95
Datamatics Global Technologies AG *	0.05	0.05	0.02	0.02
Lumina Datamatics Limited *	0.90	5.98	5.29	21.75
Cignex Datamatics Technologies Limited*	-	-	-	21.06
Cignex Datamatics Inc.*	-	-	-	3.09
Datamatics Global Services FZ LLC *	0.57	10.68	7.59	18.80
Lumina Datamatics GmbH *	-	0.05	0.05	0.05
Cignex Datamatics Pte. Ltd. *	0.03	0.03	0.02	0.02
Datamatics Robotics Software Limited*	21.72	21.72	-	-
Datamatics Staffing Services Limited*	0.26	0.26	-	-
TOTAL	36.71	61.32	30.91	82.75

* Interest free advances.

Notes to the Standalone Financial Statements (Contd.)

As at March 31, 2019

48. Loans and advances to Subsidiaries consist of following

a) Loans given

There are no loans / inter corporate deposits given during the year.

b) Investments made

There are no investments by Company other than those stated under Note 5 and Note 11 in the financial statements.

c) Guarantees given

Particulars	(₹ in Millions)	
	March 31, 2019	March 31, 2018
To secure obligations of subsidiaries and Joint Venture - Guarantees to banks	98.00	98.00

d) Securities given

There are no securities given during the year.

49. Impairment

As per Companies (Accounting Standards) Rules, 2013 issued by the Central Government, in consultation with National Advisory Committee on Accounting Standards ('NACAS') and the relevant provisions of the Companies Act, 2013, to the extent applicable, the carrying value of the asset has been reviewed for impairment of assets and there is no impairment of assets.

50. Transfer pricing

The Management is of the opinion that its international transactions are at arm's length as per the independent accountants certificate for the year ended March 31, 2019. The Management continues to believe that its international transactions during the current financial year are at arm's length and that the transfer pricing legislation will not have any impact on these financial statements, particularly on amount of tax expense and that of provision for taxation.

51. Revenue from contract with major customers

No single customer represents 10% or more of the Company's total revenue during the year ended March 31, 2019 and March 31, 2018.

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially satisfied) performance obligations, along with the broad time band for the expected time to recognise those revenues, the Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognise corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts. Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of estimates, economic factors (changes in currency rates, tax laws etc).

Changes in contract assets are as follows:

Particulars	(₹ in Millions)
	Amount
Balance at beginning of the year	62.51
Revenue recognised during the year	139.30
Invoices raised during the year	157.68
Balance at the end of the year	44.13

52. Events occurring after Balance Sheet date

Dividend

Dividends paid during the year ended March 31, 2019 include an amount of ₹ 0.25 per equity share towards final dividend for the year ended March 31, 2018. Dividends declared by the Company are based on the profit available for distribution. Distribution of dividend out of general reserve and Retained earnings is subject to applicable dividend distribution tax. On May 9, 2019, the Board of Directors of the Company have proposed a final dividend of ₹ 1.00 per share in respect of the year ended March 31, 2019 subject to the approval of shareholders at the Annual General Meeting.

Notes to the Standalone Financial Statements *(Contd.)*

As at March 31, 2019

53. Previous year's figures

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

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

For and on behalf of the Board

Dr. Lalit S. Kanodia
DIN 00008050
Chairman

J. P. Bairagra
Partner
Membership No. 012839

R. K. Saraswat
DIN 00015095
Director

Rahul L. Kanodia
DIN 00075801
Vice Chairman & CEO

Place : Mumbai
Dated : May 09, 2019

Divya Kumat
EVP, Chief Legal Officer & Company Secretary

Sandeep Mantri
Chief Financial Officer