

# Datamatics Software Services Ltd.

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May 27, 2016

To,  
Corporate Communication Department  
BSE Limited  
Phiroze Jeejeeboy Towers  
Dalal Street, Mumbai - 400 001

To,  
Listing Department  
The National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East) Mumbai 400 051

**Sub: Board Meeting Proceedings**  
**BSE Scrip Code: 532528 | NSE Code: DATAMATICS**

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to intimate that the Board of Directors of the Company has, at its Meeting held today, i.e., Friday, May 27, 2016, at Mumbai, inter alia, following businesses were transacted:

1. The Board has approved the Audited Standalone and Consolidated Financial Results for the quarter and year ended March 31, 2016, read with Auditors' Report and Form A.

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, attached herewith please find Audited Standalone and Consolidated Financial Results for the quarter and year ended March 31, 2016, Auditors' Report and Form A.

2. The Board has recommended, subject to approval of shareholders, final dividend of ₹0.25/- per equity share [5%] to the equity shareholders for the financial year ended March 31, 2016.

The Company has earlier paid an interim dividend of ₹0.5/- per equity share pursuant to Board resolution dated March 21, 2016. The total dividend (including proposed dividend) for the financial year ended on March 31, 2016, shall amount to ₹0.75 per Equity Share of face value of ₹5/- each.



Continuation



3. The Board has decided to submit the quarterly/year-to-date Consolidated Financial Results alongwith Standalone Financial Results during the financial year 2016-17.

The Meeting of Board of Directors commenced at 12.00 P.M and concluded at 05.10 P.M.

Kindly take the above on your record.

For Datamatics Global Services Limited

A handwritten signature in blue ink, appearing to read 'Divya', followed by a diagonal line.



Divya Kumat

Sr. VP - Legal & Company Secretary

**AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2016**

(Rupees in millions)

|    |                                                                                         | STAND ALONE                      |            |                              |            |                     | CONSOLIDATED                 |            |                              |            |                     |
|----|-----------------------------------------------------------------------------------------|----------------------------------|------------|------------------------------|------------|---------------------|------------------------------|------------|------------------------------|------------|---------------------|
|    |                                                                                         | Quarter Ended                    |            |                              | Year Ended | Previous year ended | Quarter Ended                |            |                              | Year Ended | Previous year ended |
|    |                                                                                         | 31.03.2016<br>(Refer Note 5 & 6) | 31.12.2015 | 31.03.2015<br>(Refer Note 5) | 31.03.16   | 31.03.15            | 31.03.2016<br>(Refer Note 5) | 31.12.2015 | 31.03.2015<br>(Refer Note 5) | 31.03.16   | 31.03.15            |
|    |                                                                                         | Audited                          | Unaudited  | Audited                      | Audited    | Audited             | Audited                      | Unaudited  | Audited                      | Audited    | Audited             |
| 1  | Income from Operations                                                                  |                                  |            |                              |            |                     |                              |            |                              |            |                     |
|    | (a) Net Sales / Income from Operations                                                  | 1,351.83                         | 525.82     | 453.38                       | 2,816.09   | 1,885.74            | 2,202.63                     | 1,994.74   | 1,979.75                     | 8,161.78   | 8,279.95            |
|    | (b) Other Operating Income                                                              | -                                | -          | -                            | -          | -                   | -                            | -          | -                            | -          | -                   |
|    | Total income from operations (net)                                                      | 1,351.83                         | 525.82     | 453.38                       | 2,816.09   | 1,885.74            | 2,202.63                     | 1,994.74   | 1,979.75                     | 8,161.78   | 8,279.95            |
| 2  | Expenses                                                                                |                                  |            |                              |            |                     |                              |            |                              |            |                     |
|    | a) Employees benefits expense                                                           | 821.88                           | 281.99     | 262.18                       | 1,651.27   | 1,019.98            | 1,264.88                     | 1,251.79   | 1,192.32                     | 5,056.01   | 4,541.99            |
|    | b) Services rendered by Business Consultants and Others                                 | 87.72                            | 21.40      | 13.65                        | 152.13     | 119.98              | 317.69                       | 220.20     | 292.47                       | 1,001.11   | 1,485.69            |
|    | c ) Depreciation and amortisation expense                                               | 49.74                            | 25.47      | 23.47                        | 123.39     | 84.20               | 92.77                        | 59.73      | 44.88                        | 269.28     | 209.86              |
|    | d) Other Expenses (Net)                                                                 | 222.46                           | 108.03     | 109.14                       | 522.86     | 398.85              | 368.96                       | 329.85     | 391.34                       | 1,371.98   | 1,400.96            |
|    | Total expenses                                                                          | 1,181.80                         | 436.89     | 408.44                       | 2,449.65   | 1,623.01            | 2,044.30                     | 1,861.57   | 1,921.01                     | 7,698.38   | 7,638.50            |
| 3  | Profit from Operations before Other Income, Finance Costs & Exceptional Items (1-2)     | 170.03                           | 88.93      | 44.94                        | 366.44     | 262.73              | 158.33                       | 133.17     | 58.74                        | 463.40     | 641.45              |
| 4  | Other Income (Net)                                                                      | 41.69                            | 23.11      | 9.20                         | 117.08     | 79.40               | 44.78                        | 24.45      | 13.31                        | 135.92     | 66.63               |
| 5  | Profit from ordinary activities before finance costs and exceptional items (3+4)        | 211.72                           | 112.04     | 54.14                        | 483.52     | 342.13              | 203.11                       | 157.62     | 72.05                        | 599.32     | 708.08              |
| 6  | Finance costs                                                                           | 10.18                            | 13.10      | 3.59                         | 55.27      | 51.24               | 12.22                        | 16.85      | 7.29                         | 66.61      | 67.54               |
| 7  | Profit from ordinary activities after finance costs but before exceptional items (5-6)  | 201.54                           | 98.94      | 50.55                        | 428.25     | 290.89              | 190.89                       | 140.77     | 64.76                        | 532.71     | 640.54              |
| 8  | Exceptional Items (Refer Note 7)                                                        | 65.66                            | -          | -                            | 65.66      | -                   | -                            | -          | -                            | -          | -                   |
| 9  | Profit from Ordinary Activities before tax (7-8)                                        | 135.88                           | 98.94      | 50.55                        | 362.59     | 290.89              | 190.89                       | 140.77     | 64.76                        | 532.71     | 640.54              |
| 10 | Tax Expense (including deferred tax and MAT Credit)                                     | 51.82                            | 16.66      | 3.94                         | 87.66      | 37.51               | 44.61                        | 21.85      | 36.25                        | 137.55     | 155.40              |
| 11 | Net Profit (+) / Loss (-) from Ordinary Activities after tax (9-10)                     | 84.06                            | 82.28      | 46.61                        | 274.93     | 253.38              | 146.28                       | 118.92     | 28.51                        | 395.16     | 485.14              |
| 12 | Extraordinary Item (Refer Note 8)                                                       | 48.59                            | -          | -                            | 48.59      | -                   | 48.59                        | -          | -                            | 48.59      | -                   |
| 13 | Net Profit (+) / Loss (-) for the period (11+12)                                        | 132.65                           | 82.28      | 46.61                        | 323.52     | 253.38              | 194.87                       | 118.92     | 28.51                        | 443.75     | 485.14              |
| 14 | Minority Interest                                                                       | -                                | -          | -                            | -          | -                   | 7.64                         | 0.82       | (21.94)                      | (4.57)     | 53.03               |
| 15 | Net Profit/Loss after taxes, minority interest                                          | 132.65                           | 82.28      | 46.61                        | 323.52     | 253.38              | 187.23                       | 118.10     | 50.45                        | 448.32     | 432.11              |
| 16 | Paid-up equity share capital (Face Value per share Rs. 5/-)                             | 294.75                           | 294.75     | 294.75                       | 294.75     | 294.75              | 294.75                       | 294.75     | 294.75                       | 294.75     | 294.75              |
| 17 | Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year | -                                | -          | -                            | 4,148.45   | 3,861.99            | -                            | -          | -                            | 3,904.99   | 3,521.45            |
| 18 | Earnings Per Share (EPS) (before extraordinary Items)                                   |                                  |            |                              |            |                     |                              |            |                              |            |                     |
|    | - Basic                                                                                 | 1.43                             | 1.40       | 0.79                         | 4.66       | 4.30                | 2.48                         | 2.00       | 0.86                         | 6.70       | 7.33                |
|    | - Diluted                                                                               | 1.43                             | 1.40       | 0.79                         | 4.66       | 4.30                | 2.50                         | 1.88       | 0.85                         | 6.55       | 7.30                |
| 19 | Earnings Per Share (EPS) (after extraordinary Items)                                    |                                  |            |                              |            |                     |                              |            |                              |            |                     |
|    | - Basic                                                                                 | 2.25                             | 1.40       | 0.79                         | 5.49       | 4.30                | 3.18                         | 2.00       | 0.86                         | 7.61       | 7.33                |
|    | - Diluted                                                                               | 2.25                             | 1.40       | 0.79                         | 5.49       | 4.30                | 3.20                         | 1.88       | 0.85                         | 7.45       | 7.30                |



## Statement of Assets and Liabilities

(Rupees in millions)

| Particulars                                      | STANDALONE RESULTS |                 | CONSOLIDATED RESULTS |                 |
|--------------------------------------------------|--------------------|-----------------|----------------------|-----------------|
|                                                  | AS AT              |                 | AS AT                |                 |
|                                                  | 31.03.16           | 31.03.15        | 31.03.16             | 31.03.15        |
|                                                  | Audited            | Audited         | Audited              | Audited         |
| <b>EQUITY AND LIABILITIES</b>                    |                    |                 |                      |                 |
| Shareholders' Funds                              |                    |                 |                      |                 |
| Share Capital                                    | 294.75             | 294.75          | 294.75               | 294.75          |
| Reserves and Surplus                             | 4,148.45           | 3,861.99        | 3,904.99             | 3,521.45        |
| Sub-total - Shareholders' funds                  | 4,443.20           | 4,156.74        | 4,199.74             | 3,816.20        |
| Preference Shares Issued by Subsidiary Companies | -                  | -               | 771.76               | 771.76          |
| Minority Interest                                | -                  | -               | 473.10               | 369.84          |
| Non-current liabilities                          |                    |                 |                      |                 |
| Long-Term Borrowings                             | 346.45             | 387.50          | 346.45               | 387.50          |
| Deferred Tax Liability                           | 8.23               | -               | 108.13               | 74.47           |
| Other Non-Current Liabilities                    | 0.34               | 0.47            | 0.34                 | 0.47            |
| Long term Provisions                             | 79.42              | 61.16           | 114.90               | 114.24          |
| Sub-total - Non-current liabilities              | 434.44             | 449.13          | 569.82               | 576.68          |
| Current Liabilities                              |                    |                 |                      |                 |
| Short-term Borrowings                            | 85.62              | 128.09          | 390.37               | 379.67          |
| Trade Payables                                   | 175.40             | 98.20           | 531.07               | 530.32          |
| Other Current Liabilities                        | 218.79             | 194.29          | 348.63               | 237.14          |
| Short-term Provisions                            | 60.94              | 66.08           | 92.31                | 80.20           |
| Sub-total - Current liabilities                  | 540.75             | 486.66          | 1,362.38             | 1,227.33        |
| <b>TOTAL - EQUITY AND LIABILITIES</b>            | <b>5,418.39</b>    | <b>5,092.53</b> | <b>7,376.80</b>      | <b>6,761.81</b> |
| <b>ASSETS</b>                                    |                    |                 |                      |                 |
| Non-current assets                               |                    |                 |                      |                 |
| Fixed Assets                                     | 1,183.65           | 1,073.37        | 1,481.57             | 1,415.83        |
| Goodwill on Consolidation                        | -                  | -               | 1,091.90             | 1,075.43        |
| Amount recoverable from ESOP trust               | -                  | 62.69           | -                    | 62.69           |
| Deferred Tax Assets                              | -                  | 8.95            | -                    | -               |
| Non-Current Investments                          | 2,684.90           | 2,631.51        | 537.93               | 268.69          |
| Long-term loans and advances                     | 262.58             | 439.77          | 342.99               | 294.33          |
| Other Non-Current Assets                         | -                  | 14.11           | -                    | 14.11           |
| Sub-total - Non-current assets                   | 4,131.13           | 4,230.40        | 3,454.39             | 3,131.08        |
| Current Assets                                   |                    |                 |                      |                 |
| Current Investments                              | 315.08             | 151.84          | 765.26               | 570.72          |
| Trade Receivables                                | 668.53             | 427.22          | 1,849.52             | 1,647.64        |
| Cash and Bank Balance                            | 146.36             | 99.73           | 627.85               | 716.44          |
| Short-term loans and advances                    | 101.13             | 140.48          | 293.74               | 294.52          |
| Other Current assets                             | 56.16              | 42.86           | 386.04               | 401.41          |
| Sub-total - Current assets                       | 1,287.26           | 862.13          | 3,922.41             | 3,630.73        |
| <b>TOTAL - ASSETS</b>                            | <b>5,418.39</b>    | <b>5,092.53</b> | <b>7,376.80</b>      | <b>6,761.81</b> |



**NOTES:**

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their Meeting held on May 27, 2016.
- 2 The Company mainly operates in a single primary business segment and hence segment details are not required to be published.
- 3 The Company has an investment of ₹ 670.18 million in three of its wholly owned subsidiaries and has also extended loans and advances of ₹ 0.89 million to these subsidiaries as on March 31, 2016. The net worth of these subsidiaries have declined. These investments are for long term and of strategic nature. As the management is confident of turning around the subsidiaries in the near future provision for diminution in the value, if at all required is not made.
- 4 Pursuant to the Scheme of Amalgamation (The Scheme) u/s 391 to 394 of the Companies Act, 1956 read with section 78 and sections 100 to 104 and other applicable provisions of the Companies Act, 2013 for amalgamation of Datamatics Software Services Limited (DSSL) and Datamatics Vista Info Systems Limited (DVISTA) with the Company as sanctioned by Hon'ble High Court of Bombay on April 22, 2016 and the said order was filed with ROC on May 13, 2016 (effective date), all the assets and liabilities of DSSL and DVISTA were transferred to and vested in the Company, without any consideration and on going concern basis, with effect from April 1, 2015 (the appointed date). The Scheme has accordingly given effect to in these financial statements.  
The amalgamation has been accounted for under the "Purchase Method" as prescribed under Accounting Standard 14 - "Accounting for Amalgamations" (AS 14) issued by the Institute of Chartered Accountants of India and as notified u/s 133 of the Companies Act 2013 read with Rule 7 of the Companies Accounts Rules 2014. Accordingly and giving effect in compliance of the Scheme all the assets and liabilities of DSSL and DVISTA, were recorded in the books of the Company at their fair value and the form as at appointed date in the books of DSSL and DVISTA.
- 5 Figures for the quarter ended March 31, 2016 and March 31, 2015 are the balancing figures between the audited figures in respect of the full financial year and published year to date figure upto the third quarter of the relevant financial year.
- 6 Figures for the quarter ended March 31, 2016 includes full year figures of DSSL and DVISTA. Hence the results of quarter ended March 31, 2016 are not comparable to earlier periods. Results for the quarter ended March 31, 2016 includes Revenue from operations of DSSL and DVISTA of ₹ 587.64 mn and ₹ 202.64 mn respectively and Profit after Tax of DSSL and DVISTA of ₹ 55.55 mn and ₹ 6.10 mn respectively.
- 7 During the year, Datamatics Global Services GmbH (DGSG), a subsidiary Company along with its subsidiary Datamatics Global Solutions GmbH (DGSOLG) have filed for voluntary winding up/liquidation/de registration procedure on June 15, 2015. This procedure generally takes atleast a year. Considering this fact, DGSG along with its subsidiary viz. DGSOLG is currently carrying on its operations prior to closing as contractually/statutorily required. In view of that, appropriate provision for diminution in the value of investments of ₹ 65.66 mn has been made which is Exceptional item.
- 8 Extraordinary item consist of amount received from Datamatics Employee Welfare Trust (Trust). During the quarter ended March 31, 2016, Trust was liquidated and ₹ 48.59 mn has been received. The amount includes ₹ 40.29 mn towards profit on sale of investments and balance towards other income net of expenses over the years.
- 9 The Board has recommended final dividend of ₹ 0.25 per equity share (i.e. 5%) of the face value of ₹ 5 each for the financial year ended March 31, 2016. The total dividend for financial year 2015-16 amount to ₹ 0.75 per equity share (i.e. 15%) of the face value of ₹ 5 each.
- 10 Previous quarter/year figures have been appropriately regrouped and reclassified wherever necessary to confirm to the current quarter/year presentations.

Place : Mumbai  
Date : May 27, 2016



Rahul L. Kanodia  
Vice Chairman & CEO

**Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,

**The Board of Directors of Datamatics Global Services Limited**

1. We have audited the quarterly financial results of Datamatics Global Services Limited ("Company") for the quarter ended March 31, 2016 and the financial results for the year ended March 31, 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The quarterly financial results are the derived figures between the audited figures in respect of the year ended March 31, 2016 and the published year to date figures up to December 31, 2015, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The financial results for the quarter and year to date ended March 31, 2016 have been prepared on the basis of the financial results for the nine month period ended December 2015, the audited annual financial statements as at and for the year ended March 31, 2016 and the relevant requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are the responsibility of the company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these financial results based on our review of such interim financial statements, which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25 "Interim Financial Reporting", Interim Financial Reporting specified under Section 133 of the Companies Act, 2013 read with relevant rules issued there under; and other accounting principles generally accepted in India; our audit of the annual financial statements as at the year ended March 31, 2016; and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

**Emphasis of Matter**

- a) Attention is drawn to Note No.3, the Company has an investment of Rs. 670.18 million in three of its wholly owned subsidiaries and also extended loans and advances of Rs. 0.89 million to these subsidiaries as on March 31, 2016. The net worth of these subsidiaries has declined. We are given



to understand that, these investments are for long term and of strategic nature and the management are confident of turning around the subsidiaries in the near future. In view of this, we are unable to comment on whether provision if any, for the diminution in the value of investments is required to be made.

b) Attention is drawn to Note No. 7, Datamatics Global Services GmbH, a subsidiary company along with its subsidiary Datamatics Global Services Solutions GmbH has filed for voluntary winding up / liquidation / de-registration procedure on June 15, 2015. As informed to us, the winding up procedure generally takes at least a year. Management has estimated a diminution in value of investments to the extent of Rs. 65.66 million, which is not temporary in nature as the subsidiary company and step down subsidiary companies are currently carrying on its operations prior to closing as contractually/statutorily required. Based on the judgment and estimation of the management, the said investment has been stated at cost (i.e. Rs. 195.95 million) less provision for diminution in value of investment of Rs.65.66 million as at March 31, 2016.

Our opinion is not modified in respect of these matters

3. In our opinion and to the best of our information and according to the explanations given to us, these quarterly financial results as well as the year to date results:

- i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- ii. read with the notes thereon, give a true and fair view of the net profit and other financial information for the quarter ended 31st March, 2016 and year ended 31st March, 2016.

For Kanu Doshi Associates LLP

Chartered Accountants

Firm Registration No: 104746W/W100096



Jyoti Kawa

Partner

Membership No: 105654

Place: Mumbai

Date: May 27, 2016



**Auditor's Report on Quarterly Consolidated Financial Results and Consolidated Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,

**The Board of Directors of Datamatics Global Services Limited**

1. We have audited the quarterly consolidated financial results of Datamatics Global Services Limited ("Company") for the quarter ended March 31, 2016 and the consolidated financial results for the year ended March 31, 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These consolidated quarterly financial results are the derived figures between the audited figures in respect of the year ended March 31, 2016 and the published year to date figures up to December 31, 2015, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The consolidated financial results for the quarter and year to date ended March 31, 2016 have been prepared on the basis of the consolidated financial results for the nine month period ended December 2015, the audited annual consolidated financial statements as at and for the year ended March 31, 2016 and the relevant requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these consolidated financial results based on our review of such consolidated interim financial statements, which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25 "Interim Financial Reporting", Interim Financial Reporting specified under Section 133 of the Companies Act, 2013 read with relevant rules issued there under; and other accounting principles generally accepted in India; our audit of the annual consolidated financial statements as at the year ended March 31, 2016; and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of twelve subsidiaries (including five step down subsidiaries) included in the consolidated quarterly financial results and consolidated financial statements as at the year ended March 31 2016, whose financial statements reflect total assets of Rs 6151.45 million as at March 31, 2016 and total revenue of Rs. 6791.77 for the year then ended.



These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the management, and our opinion, on the financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the report of the such other auditors.

4. Further, we have relied on the unaudited financial statements furnished by the management with respect to one subsidiary and eight step down subsidiaries whose financial statements reflect total assets of Rs. 337.32 million as at March 31, 2016 and total revenue of Rs. 131.08 million for the year then ended. These unaudited financial statements and other financial information as approved by the respective Board of Directors of these companies, have been furnished to us by the management and the amounts included in respect of the consolidated financial statements is based solely on such approved unaudited financial statements.

We are unable to comment upon the resultant impact, if any, on the profit and net assets of the Consolidated financial statements of the Company as at March 31 2016, had the subsidiaries including step down subsidiaries been audited.

However our opinion is not modified in respect of this matter.

5. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditor's referred to in paragraph 3 and based on the consideration of unaudited financial statements furnished by the management for subsidiaries as explained in paragraph 4 above, these consolidated quarterly financial results as well as the consolidated year to date results:
- include the results of the subsidiaries (including step down subsidiaries) listed in "Annexure A".
  - have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
  - give a true and fair view of the consolidated net profit and other financial information for the consolidated quarter ended March 31 2016 and consolidated year ended March 31 2016.

For Kanu Doshi Associates LLP

Chartered Accountants

Firm Registration No: 104746W/W100096

*J. N. Kawa*

Jyoti Kawa

Partner

Membership No: 105654

Place: Mumbai

Date: May 27, 2016



## Annexure A

| Sr. No. | Particulars                                       | Subsidiary / Step Down Subsidiary |
|---------|---------------------------------------------------|-----------------------------------|
| 1       | Datamatics Global Services Inc.                   | Subsidiary                        |
| 2       | Datamatics Global Services Gmbh                   | Subsidiary                        |
| 3       | Datamatics Global Solutions Gmbh                  | Step Down Subsidiary              |
| 4       | Datamatics Infotech Limited                       | Subsidiary                        |
| 5       | Datamatics Global Services Pty Limited            | Subsidiary                        |
| 6       | Datamatics Global Technologies Ltd - Mauritius    | Subsidiary                        |
| 7       | Datamatics Global Technologies AG                 | Subsidiary                        |
| 8       | Datamatics Technologies U.K. Ltd.                 | Subsidiary                        |
| 9       | Datamatics Global Technologies GMBH               | Step Down Subsidiary              |
| 10      | Cignex Datamatics technologies Private Limited    | Step Down Subsidiary              |
| 11      | Cybercom Datamatics Information Solutions Limited | Subsidiary                        |
| 12      | Cignex Datamatics Corporation BVI                 | Step Down Subsidiary              |
| 13      | CIGNEX Datamatics, Inc. US                        | Step Down Subsidiary              |
| 14      | CIGNEX Datamatics, Inc. Michigan                  | Step Down Subsidiary              |
| 15      | CIGNEX Datamatics Pte Ltd- Singapore              | Step Down Subsidiary              |
| 16      | CIGNEX Datamatics GmbH                            | Step Down Subsidiary              |
| 17      | Cignex Datamatics UK Limited                      | Step Down Subsidiary              |
| 18      | Lumina Datamatics Limited                         | Subsidiary                        |
| 19      | Datamatics Global Services FZLLC - Dubai          | Subsidiary                        |
| 20      | Lumina Datamatics US Inc                          | Step Down Subsidiary              |
| 21      | Lumina Datamatics GmbH                            | Step Down Subsidiary              |
| 22      | LDR eRetail Limited                               | Step Down Subsidiary              |
| 23      | Lumina Datamatics Assessment & Analytics, LLC     | Step Down Subsidiary              |
| 24      | Duo Design LLC                                    | Step Down Subsidiary              |
| 25      | LD Publishing and eRetail Limited                 | Step Down Subsidiary              |

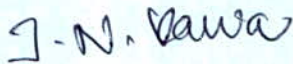


**FORM A**

(For Audit Report on Standalone Financial Statements with Emphasis of Matter)

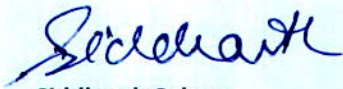
|   |                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|---|------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Name of the Company                            | Datamatics Global Services Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 2 | Annual financial statements for the year Ended | March 31, 2016                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 3 | Type of Audit Observation                      | <p><b><u>Emphasis of Matter</u></b></p> <p>a) Attention is drawn to Note No.3, the Company has an investment of Rs. 670.18 million in three of its wholly owned subsidiaries and also extended loans and advances of Rs. 0.89 million to these subsidiaries as on March 31, 2016. The net worth of these subsidiaries has declined. We are given to understand that, these investments are for long term and of strategic nature and the management are confident of turning around the subsidiaries in the near future. In view of this, we are unable to comment on whether provision if any, for the diminution in the value of investments is required to be made.</p> <p>b) Attention is drawn to Note No. 7, Datamatics Global Services GmbH, a subsidiary company along with its subsidiary Datamatics Global Services Solutions GmbH has filed for voluntary winding up / liquidation / de-registration procedure on June 15, 2015. As informed to us, the winding up procedure generally takes at least a year. Management has estimated a diminution in value of investments to the extent of Rs. 65.66 million, which is not temporary in nature as the subsidiary company and step down subsidiary companies are currently carrying on its operations prior to closing as contractually/statutorily required. Based on the judgment and estimation of the management, the said investment has been stated at cost (i.e. Rs. 195.95 million) less provision for diminution in value of investment of Rs.65.66 million as at March 31, 2016.</p> |
| 4 | Frequency of observation                       | <p>a) Appearing since financial year 2004-05</p> <p>b) Appeared for the first time in financial year 2015-16</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

For Kanu Doshi Associates LLP  
Chartered Accountants  
Firm Registration No. 104746W/ W100096



Jyoti Kawa  
Partner  
Membership No. 105654

For Datamatics Global Services Limited



Siddharth Saboo  
Chief Financial Officer

For Datamatics Global Services Limited



Rahul L. Kanodia  
Vice Chairman & CEO

For Datamatics Global Services Limited



R. K. Saraswat  
Chairman of Audit Committee

**FORM A**

(For Audit Report on Consolidated Financial Statements)

|   |                                                |                                    |
|---|------------------------------------------------|------------------------------------|
| 1 | Name of the Company                            | Datamatics Global Services Limited |
| 2 | Annual financial statements for the year Ended | March 31, 2016                     |
| 3 | Type of Audit Observation                      | Unqualified Audit Opinion          |
| 4 | Frequency of observation                       | Not Applicable                     |

For Kanu Doshi Associates LLP  
Chartered Accountants  
Firm Registration No. 104746W/ W100096



**Jyoti Kawa**  
Partner  
Membership No. 105654

For Datamatics Global Services Limited



**Siddharth Saboo**  
Chief Financial Officer

For Datamatics Global Services Limited



**Rahul L. Kanodia**  
Vice Chairman & CEO

For Datamatics Global Services Limited



**R. K. Saraswat**  
Chairman of Audit Committee