

Datamatics Global Services Limited

Regd. Office :
Knowledge Centre, Plot No. 58, Street No.17, MIDC,
Andheri (East), Mumbai - 400 093. INDIA
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CIN : L72200MH1987PLC045205
www.datamatics.com



August 13, 2019

To,
BSE Limited
Phiroze Jeejeeboy Towers,
Dalal Street, Mumbai – 400 001
BSE Scrip Code: 532528

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East) Mumbai 400 051
NSE Code: DATAMATICS

Sub: Board Meeting Outcome

Dear Sir/Madam,

The Board of Directors of the Company has, at its Meeting held today, i.e., Tuesday, August 13, 2019, at Mumbai, inter alia, considered and approved the Unaudited Standalone and Consolidated Financial Results for the quarter ended June 30, 2019.

Pursuant to Regulation 30 and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith Unaudited Financial Results alongwith the Limited Review Report for the quarter ended June 30, 2019.

The Meeting of the Board of Directors commenced at 12:15 P.M. and concluded at 1:45 P.M.

Kindly take the above on your record.

For Datamatics Global Services Limited

Divya Kumari
Executive Vice President,
Chief Legal Officer & Company Secretary



Encl: a/a



DATAMATICS GLOBAL SERVICES LIMITED

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CIN: L72200MH1987PLC045205, Tel. No.: +91-22-61020000/1/2 Fax. No.: +91-22-28343669

Website : www.datamatics.com

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2019

(Rupees in millions)

	STANDALONE				CONSOLIDATED			
	Quarter ended		Year ended		Quarter ended		Year ended	
	30-Jun-19	31-Mar-19	30-Jun-18	31-Mar-19	30-Jun-19	31-Mar-19	30-Jun-18	31-Mar-19
	Unaudited	Audited (Refer Note 4)	Unaudited	Audited	Unaudited	Audited (Refer Note 4)	Unaudited	Audited
Income from Operations								
Revenue from operations	1,010.84	1,042.18	884.19	3,896.72	2,901.72	3,068.58	2,608.03	11,334.90
Other income	6.23	16.99	17.48	66.49	17.27	47.30	23.32	108.12
Total Income	1,017.07	1,059.17	901.67	3,963.21	2,918.99	3,115.88	2,631.35	11,443.02
Expenses								
Purchase of products and licenses	17.75	5.98	0.97	36.62	34.29	35.36	16.94	111.49
Employees benefits expense	621.11	583.76	524.42	2,332.11	1,831.86	1,760.29	1,626.85	6,891.32
Finance costs	8.26	8.85	8.02	34.50	13.59	12.40	11.38	47.71
Depreciation and amortisation expense	32.55	30.04	28.95	120.32	88.21	64.47	61.26	260.35
Other expenses	221.82	297.84	234.88	1,047.31	681.21	881.32	647.28	2,993.62
Total expenses	901.49	926.47	757.24	3,570.86	2,649.16	2,753.84	2,363.71	10,304.49
Share of net profits of associates and joint ventures accounted for using the equity method					3.95	(6.79)	5.49	8.98
Profit before tax	115.58	132.70	104.43	392.35	273.78	355.25	273.13	1,147.51
Tax Expense								
Current tax	33.14	27.59	35.56	102.44	73.04	83.85	52.25	284.89
Deferred tax	(4.93)	14.54	(2.50)	(2.45)	(8.33)	6.84	4.82	17.87
Net Profit (+) / Loss (-) from Ordinary Activities after tax	87.37	90.57	71.37	292.36	209.07	264.56	216.06	844.75
Other Comprehensive Income								
Items that will be reclassified to profit or loss	31.60	54.16	(23.59)	68.97	(34.91)	178.03	(14.39)	262.66
Income tax relating to Items that will be reclassified to profit or loss	(11.04)	(18.92)	8.13	(42.68)	(12.51)	(28.64)	18.71	(50.89)
Items that will not be reclassified to profit or loss								
Actuarial gains and losses	(0.99)	(7.79)	0.36	(3.97)	(2.52)	(14.14)	(0.21)	(9.95)
Fair Value gain on FVOCI investments	1.31	0.58	(0.69)	1.64	1.31	0.58	(0.69)	1.64
Tax relating to Items that will not be reclassified to profit or loss	0.24	2.79	0.12	1.47	0.66	4.79	0.20	3.17
Total comprehensive income	108.49	121.39	55.70	317.79	161.10	405.18	219.68	1,051.38
Profit attributable to :								
Owners of the company	87.37	90.57	71.37	292.36	192.39	257.48	185.10	745.07
Non Controlling Interest					16.68	17.08	30.96	99.68
Net Profit/Loss after taxes, non controlling interest	87.37	90.57	71.37	292.36	209.07	264.56	216.06	844.75
Total comprehensive income attributable to :								
Owners of the company	108.49	121.39	55.70	317.79	148.45	423.99	188.72	969.53
Non Controlling Interest					12.65	(18.81)	30.96	81.85
Total comprehensive income	108.49	121.39	55.70	317.79	161.10	405.18	219.68	1,051.38
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
Earnings Per Share (EPS) (Not Annualised)								
- Basic	1.48	1.54	1.21	4.96	3.26	4.28	3.14	12.64
- Diluted	1.48	1.54	1.21	4.96	3.26	4.27	3.13	12.53



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Segment Reporting

Operating segments are components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Group's chief operating decision maker is Vice Chairman and CEO.

The Group organised itself into two business units, which form the operating segments for segment reporting.

The operating segments are :

- a. IT Services
- b. Business Process Management (BPM)

(Rupees in millions)

Particulars	Q1'19-20			Q4'18-19			Q1'18-19			F.Y. '18-19		
	IT	BPM	Total	IT	BPM	Total	IT	BPM	Total	IT	BPM	Total
Revenue	1,694.24	1,207.48	2,901.72	1,794.55	1,274.03	3,068.58	1,470.16	1,137.87	2,608.03	6,497.66	4,837.24	11,334.90
Identifiable expenses	1,493.76	1,053.59	2,547.35	1,604.85	1,072.12	2,676.97	1,264.34	1,026.73	2,291.07	5,768.15	4,228.28	9,996.43
Segment results	200.48	153.89	354.37	189.70	201.91	391.61	205.82	111.14	316.96	729.51	608.96	1,338.47
unallocable expenses			101.80			76.87			72.64			308.06
Share in profit of JV			3.95			(6.79)			5.49			8.98
Other income			17.27			47.30			23.32			108.12
Profit before taxes			273.78			355.25			273.13			1,147.51
Tax expenses			64.71			90.69			57.07			302.76
Profit after tax			209.07			254.56			216.06			844.75

Segment Assets and Liabilities

The assets and liabilities used in the Company's business are not identified with any of the operating segments, as these are used interchangeably between the reportable segments. The management of the Company believes that it is currently not practicable to provide segment disclosures relating to total assets and total liabilities.

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NOTES:

- 1 The unaudited consolidated financial results and the unaudited standalone financial results of the Company for the quarter ended June 30, 2019 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at its meeting held on August 13, 2019. The statutory auditors have reviewed consolidated and standalone unaudited financial results.
- 2 The unaudited standalone financial results have been prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 (the Act), as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI).
- 3 The Company has an investment in the standalone financial statements of Rs. 646.30 million in two of its wholly owned subsidiaries and has also extended advances of Rs. 12.49 million to these subsidiaries as on June 30, 2019. The net worth of these subsidiaries 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 and advances has been considered necessary by the management.
- 4 Figures for the quarter ended March 31, 2019 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 financial year ended March 31, 2019.
- 5 a) **Consolidated** - The Group has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Group has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. This has resulted in recognising a right-of-use asset of Rs. 215.92 million and a corresponding lease liability of Rs. 272.96 million by adjusting retained earnings net of taxes of Rs. 53.32 million (including the impact of deferred tax created of Rs. 3.50 million) as at April 1, 2019. In the profit and loss account for the current period, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the right-to-use asset and finance cost for interest accrued on lease liability. EBITDA and Profit before tax is increased by Rs. 34.74 million and Rs. 2.97 million respectively due to change in accounting standard for the quarter ended June 30, 2019.
b) **Standalone** - The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. This has resulted in recognising a right-of-use asset of Rs. 34.49 million and a corresponding lease liability of Rs. 39.11 million by adjusting retained earnings net of taxes of Rs. 3.01 million (including the impact of deferred tax created of Rs. 1.62 million) as at April 1, 2019. In the profit and loss account for the current period, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the right-to-use asset and finance cost for interest accrued on lease liability. EBITDA and Profit before tax is increased by Rs. 6.34 million and Rs. 0.31 million respectively due to change in accounting standard for the quarter ended June 30, 2019.
- 6 a) **Consolidated** - In view of the amendment in the section 135 of the Companies Act, 2013 vide The Companies Amendment Act, 2019, the Group has made provision towards unspent CSR obligation amounting to Rs. 10.35 million for the financial year 2018-19 and has also made provision of Rs. 2.58 million being the estimated amount of CSR obligation for the quarter.
b) **Standalone** - In view of the amendment in the section 135 of the Companies Act, 2013 vide The Companies Amendment Act, 2019, the Company has made provision towards unspent CSR obligation amounting to Rs. 6.65 million for the financial year 2018-19 and has also made provision of Rs. 1.66 million being the estimated amount of CSR obligation for the quarter.
- 7 Previous quarter / year figures have been appropriately regrouped, recasted and reclassified wherever necessary to conform to the current year presentations.



For and on behalf of the Board
Datamatics Global Services Limited

Rahul L. Kanodia
Vice Chairman & CEO

M L BHUWANIA AND CO LLP

CHARTERED ACCOUNTANTS

F-11, 3rd floor, Manek Mahal, 90, Veer Nariman Road, Churchgate, Mumbai - 400 020, INDIA.
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Independent Auditor's Review Report on Unaudited Standalone Quarterly Financial Results of DATAMATICS GLOBAL SERVICES LIMITED Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

LIMITED REVIEW REPORT

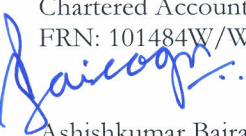
To,

The Board of Directors of

DATAMATICS GLOBAL SERVICES LIMITED

1. We have reviewed the accompanying statement of unaudited standalone financial results of **M/s. DATAMATICS GLOBAL SERVICES LIMITED** (the "Company") for the quarter ended June 30, 2019. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Attention is drawn to Note No. 3, the Company has an investment of Rs. 646.30 million in two of its wholly owned subsidiaries and has also extended advances of Rs. 12.49 million to these subsidiaries as on June 30, 2019. The net worth of these subsidiaries 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 and advances has been considered necessary by the management. Our opinion is not modified in respect of this matter.
4. Attention is drawn to the fact figures for the quarter ended March 31, 2019 as reported in these unaudited standalone financial results are the balancing figures between audited figures in respect of the full previous financial year and published year to date figures up to third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of standalone unaudited financial Results prepared in accordance with applicable Accounting Standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

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


Ashishkumar Bairagra
Partner

Membership No. 109931
UDIN: 19109931AAAAAT1954

Place: Mumbai
Date: August 13, 2019



ML BHUWANIA AND CO LLP

CHARTERED ACCOUNTANTS

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Independent Auditor's Review Report on Unaudited Consolidated Quarterly Financial Results of DATAMATICS GLOBAL SERVICES LIMITED Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

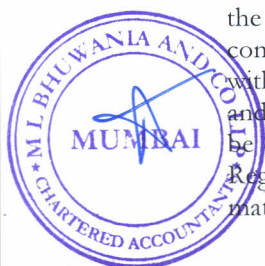
LIMITED REVIEW REPORT

To,
The Board of Directors of
DATAMATICS GLOBAL SERVICES LIMITED

1. We have reviewed the accompanying statement of unaudited consolidated financial results of **M/s. DATAMATICS GLOBAL SERVICES LIMITED** (Holding Company) and its subsidiaries (including step down subsidiaries) (the Holding Company and its subsidiaries together referred to as the "Group"), and its share of the net profit after tax and total comprehensive income of its joint venture for the quarter ended June 30, 2019 ("the statement"), being submitted by the holding company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations").
2. This statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34"), prescribed under section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with standards on auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, as amended, to the extent applicable.

4. The statement includes the results of the subsidiaries (including step down subsidiaries) and joint venture mentioned in "Annexure A"
5. Attention is drawn to the fact figures for the quarter ended March 31, 2019 as reported in these unaudited consolidated financial results are the balancing figures between audited figures in respect of the full previous financial year and published year to date figures up to third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
6. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



M L BHUWANIA AND CO LLP

CHARTERED ACCOUNTANTS

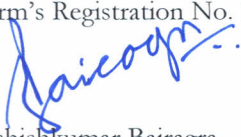
7. We did not review the interim financial results of four subsidiaries (including three step down subsidiaries) included in the Statement, whose interim financial results reflect total revenue of Rs. 1,518.24 million, total net profit after tax of Rs. 93.60 million and total comprehensive income of Rs. 97.38 million, for the quarter ended as at June 30, 2019 as considered in the unaudited consolidated financial results. The statement also includes the Group's share of net profit after tax of Rs. 3.94 million and total comprehensive income of 3.95 million for the quarter ended June 30, 2019 as considered in the unaudited consolidated financial results, in respect of a joint venture, whose interim financial results have not been reviewed by us. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and joint venture, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the statement is not modified in respect of the above matters.

8. The Statements includes the interim financial results of nineteen subsidiaries (including fifteen step down subsidiaries) which have not been reviewed, whose interim financial results reflect total revenue of Rs. 113.04 million, total net profit after tax of Rs.4.04 million and total comprehensive income / (loss) of Rs. (-)3.07 million for the quarter ended June 30, 2019 as considered in the unaudited consolidated financial results, based on their interim financial results which have not been reviewed. According to the information and explanations given to us by the management, these interim financial results are not material of the Group.

Our conclusion on the statement is not modified in respect of the above matters.

For and on behalf of
M L BHUWANIA AND CO LLP
Chartered Accountants
Firm's Registration No. 101484W/W100197


Ashishkumar Bairagra
Partner
Membership No. 109931
UDIN: 19109931AAAAAU8696

Place: Mumbai
Date: August 13, 2019

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



M L BHUWANIA AND CO LLP

CHARTERED ACCOUNTANTS

Annexure A to our report dated August 13, 2019

Sr. No.	Name	Subsidiary / Step down Subsidiary / Joint Venture
1	Datamatics Global Services Inc	Subsidiary
2	Datamatics Infotech Limited	Subsidiary
3	Datamatics Global Services Pty Limited	Subsidiary
4	Datamatics Global Technologies Limited	Subsidiary
5	Datamatics Global Technologies AG	Subsidiary
6	Datamatics Global Services FZLLC	Subsidiary
7	Datamatics Global Technologies GMBH	Step down Subsidiary
8	Datamatics Global Services Corp	Step down Subsidiary
9	Datamatics Robotics Software Inc	Step down Subsidiary
10	Datamatics Robotics Software Limited	Step down Subsidiary
11	LD Publishing and eRetail Limited	Subsidiary
12	Datamatics Digital Limited	Subsidiary
13	Datamatics Staffing Services Limited	Step down Subsidiary
14	Techjini Inc	Step down Subsidiary
15	RJ Globus Solutions Inc	Step down Subsidiary
16	RJ Globus Inc	Step down Subsidiary
17	RJ Globus Solutions Private Limited	Step down Subsidiary
18	Cignex Datamatics Corporation	Step down Subsidiary
19	Cignex Datamatics, Inc	Step down Subsidiary
20	Cignex Datamatics Technologies Limited	Step down Subsidiary
21	Cignex Datamatics Pte Limited	Step down Subsidiary
22	Cignex Datamatics GmbH	Step down Subsidiary
23	Cignex Datamatics UK Limited	Step down Subsidiary
24	Duo Consulting Inc	Step down Subsidiary
25	Attune Infocom Private Limited	Step down Subsidiary
26	Lumina Datamatics Limited	Subsidiary
27	Lumina Datamatics Inc	Step down Subsidiary
28	Lumina Datamatics GMBH	Step down Subsidiary
29	LDR eRetail Limited	Step down Subsidiary
30	Lumina Datamatics Assessment & Analytics, LLC	Step down Subsidiary
31	Cybercom Datamatics Information Solutions Limited	Joint Venture

