
10th Annual Report 2004 - 2005

BOARD OF DIRECTORS

Mr. Viswanath Tadimety
Chairman

Mr. Anant Rajwade
Director

Mr. Ashok Datar
Director

Mr. Arun Shah
Director

Mr. Vijay Talele
Executive Director

COMPANY SECRETARY

Mr. Suresh Thakur Desai

AUDITORS

M/s. Lodha & Co.,
Chartered Accountants

SOLICITORS & ADVOCATES

M/s. Junnarkar & Associates.

BANKERS

State Bank of India

ICICI Bank Limited

REGISTRAR & SHARE TRANSFER AGENT (COMMON AGENCY)

Intime Spectrum Registry Ltd.
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
Mumbai- 400 078.

REGISTERED OFFICE

‘CyberTech House’
Plot No.B - 63/64/65, Road No.21/34
J. B. Sawant Marg, MIDC,
Wagle Estate , Thane (West) – 400 604

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FROM THE CHAIRMAN'S DESK

Dear Fellow Shareholders,

June 22, 2005

I am pleased to report the successful results of your Company for the nine months period ended March 31, 2005⁽¹⁾ in the enclosed Annual report. Since I took over the active management as Chairman of the Company, we embarked on several important structural and corporate changes. My focus has been upon the realignment of the company's operations, reduction of overhead, optimal use of resources and creation of business focus. I am glad to report that we have now successfully streamlined our Company into an India-based model and aligned all our resources and management to create value in CyberTech Systems and Software Limited. This focused approach also keeps us committed to providing superior implementation, software development and support services for our customers in SAP, GIS and other technology areas.

At this point our organization's operations are simple. We sell our services primarily in the US and deliver services whenever possible from India. However, I manage the business on a combined and consolidated basis. The company has further continued its attempts to enhance the utilization and benefits of its world-class facilities at Thane by sourcing increased assignments from its US offices. The combined company, including its US Subsidiary, remains focused on winning more offshore support engagements. Our Support contracts tend to be longer in duration and provide stability and better predictability to our business.

Our US Business has grown 15.39% over last year's revenue⁽²⁾, a decent growth in a tough US market. We currently remain focused on SAP, both in New Implementations and Post Implementation Services, Public Sector and GIS Services. With an objective to increase revenues further, we are offering additional services to our existing client base in the area of Business Application Services. We have recently added several sales account managers and practice directors to further increase our sales focus in the US. Our customer list includes long-standing clients who continue to trust your Company to help them with their Information Technology requirements.

While we have worked hard to reduce the cost structure of the Indian operations, I am not satisfied with the internal growth of our India business. We will be reviewing areas to further increase our revenue growth in India.

The Management team of the company is able and focused on growing the Company. Steven Jeske, our CFO, Ravi Rengan, our Sr. Vice President of Sales and Vijay Talele, our Executive Director has been in IT business for a number of years. They have a complete handle on the issues, challenges and growth objectives of the Company. Outstanding Company talent is the only way to succeed and grow the business. Both Ravi and Vijay are recruiting new talent in their teams to enhance our capabilities.

The Company's financial operations are also now fully integrated with the operations of the US Subsidiary. The financial accounts of the individual entities are submitted for information and we have included graphical display. Your Company's consolidated results have improved throughout the nine months and are generating positive cash flow, a continued improvement from the prior year's status. Consolidated revenue has increased from Rs 4,078 Lakhs in the previous year to Rs 4,111 Lakhs in the current year⁽²⁾, largely as a result of growth in the US market. Net loss for the year was contained from (Rs 294.77) Lakhs in the previous year to (Rs 32.08) Lakhs.

It should be noted that our October 2003 acquisition of the business operations of CyberTech Systems, Inc. (US) has paid off well for our shareholders in terms of both profit contribution and return on investment. This has given our company a US based sales and practice management front end. The acquisition is also accretive as you can see from the financial information.

Our entire management team and I continue to be optimistic about our business opportunities and our execution capabilities. Now that we have reduced the number of complex moving parts and simplified and streamlined our business, we need to stay course, and increase revenues and profits.

I thank my dedicated Board of Directors for their involvement, superior counsel and support. I would like to thank our associates and management team for their great efforts in the last year and all our clients for their continued support of your Company.

On behalf of the entire organization I thank you, my fellow shareholders, for your continued support.

With Best Regards,

Vish Tadimety

Chairman

Notes:

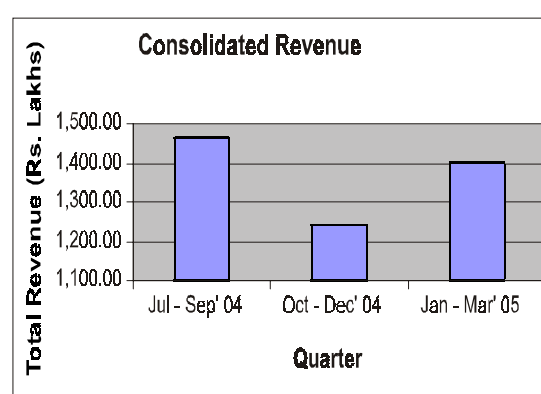
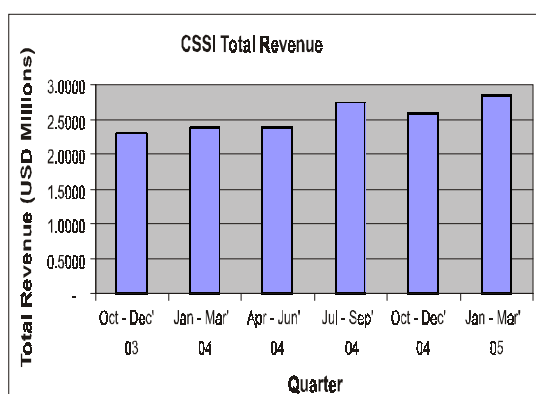
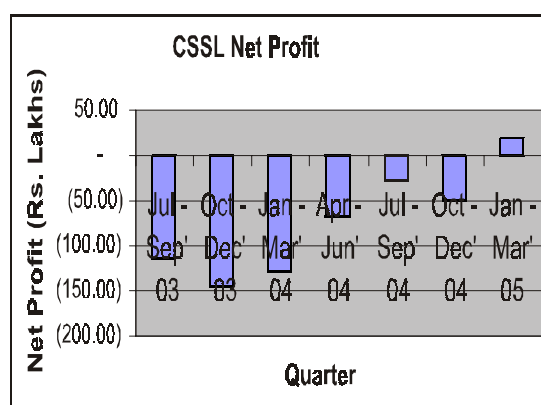
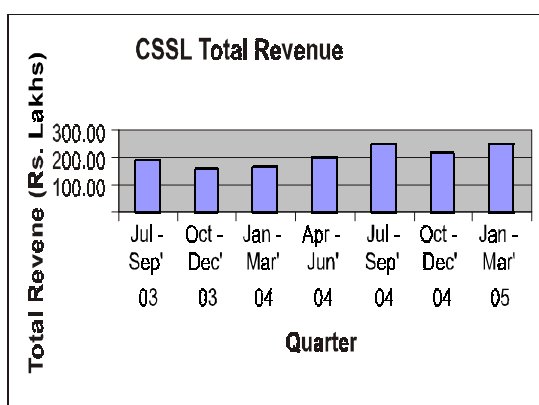
- (1) It should be noted that the Company has changed its fiscal year end from June 30 to March 31 in order to conform to general industry standards and to create efficiencies through aligning our tax and reporting year-ends.
- (2) Fiscal 2005 includes 9 months due to the change noted above, while fiscal 2004 included 12 months. It should be noted that the US business was acquired effective October 2003.

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FINANCIAL HIGHLIGHTS

(Rs. In Lakhs)

	CSSL			Consolidated	
	2002 – 2003 (12 Months)	2003 – 2004 (12 Months)	2004 – 2005 (9 Months)	2003 – 2004 (12 Months)	2004 – 2005 (9 Months)
Total Revenue	986.43	726.62	709.43	4078.17	4111.28
Net profit	(2100.49)	(454.01)	(88.53)	(294.77)	(70.70)
Net Worth	3941.33	3487.32	3398.79	3554.14	3483.44
Net Fixed Assets	2428.99	2057.80	1923.55	2473.24	2276.23
Earnings Per Share (Rs.)	(9.06)	(1.98)	(0.38)	(1.27)	(0.30)





CyberTech's Business Overview

CyberTech is a global information technology firm providing professional consulting services, in the areas of SAP implementation services and post implementation support, GIS (Geographic Information Systems), Custom Application Development and Networking.

CyberTech Systems and Software Ltd. (CSSL-India), acts as the Offshore Development Center and hosts Advanced Technology Center's for SAP, Microsoft, Java, GIS using ESRI technologies, and Networking using Cisco technologies.

CyberTech Systems and Software, Inc. (CSSI-USA), is fully owned subsidiary of CSSL. CSSI focuses on customer facing activities and business development including pre-sales, marketing, sales and project / program management and the delivery of implementation and development services and support. CSSI also does the prospecting and developing for all offshore business as well.

CyberTech's services are divided across four practice areas as given below:

- ❖ **SAP Practice**
- ❖ **Geographical Information Systems (GIS) Practice**
- ❖ **Custom Business Applications Practice**
- ❖ **Networking Practice**

SAP Practice:

CyberTech's SAP Practice is focused on the customization and implementation of SAP applications and Post Implementation support services. These Post implementation services include SAP Server Administration, SAP Functional Help Desk, Version Upgrade services, ABAP Development and SAP-GIS Integration services. Currently CyberTech provides these services for our US customers.

CyberTech differentiate itself with its proprietary state-of-the-art Advanced Technology Centers (ATCs) where we maintain the latest SAP software environment and use the ATC's to develop end-to-end solutions and proprietary tools. Our consultants use these solutions and tools to offer the services we excel in.

During the period under review, our SAP practice has shown considerable improvement in winning and delivering offshore support engagements. CyberTech has added five new long-term support engagements for customers and most of the other ongoing support engagements have been renewed for at least an additional year. CyberTech also successfully completed a major SAP implementation in USA and continued to support this implementation from offshore.

Considering the tremendous potential in our SAP practice and the services that CyberTech is offering, we have strengthened our Sales and Practice teams to focus on winning more and more deals in this practice. We are positive that our SAP practice will be one of our major revenue generation practices going forward.

Geographic Information Systems (GIS) Practice:

Our GIS practice is centered on ESRI Technology tools and applications and focuses on leveraging GIS technology which includes using visual representation of data by geographical location to assist users in their tasks. This practice offers services such as GIS Assessment Services, GIS Application Development Services, GIS Integration Services and Geodatabase Migration Services.

GIS Applications enable customers to view their business data in a spatial manner. Visual representation of data assists users in performing their jobs and take decisions more effectively. With the availability of digitized smart maps, the customers can co-relate existing information with geographic information to make better decisions. It can help in a variety of areas from better logistics planning to more-effective utilization of their enterprise-wide systems. Integrating GIS with existing systems will provide users with an easy to use map-centric approach for working with existing data.

CyberTech has also been working with ESRI as our partner to providing development, and testing services in the ongoing support of their products. During the period under review, the partnership with ESRI is further strengthened and ESRI has

already awarded additional offshore projects to CyberTech. We have also completed one phase of a large GIS application development for one of our Public Sector customers in US.

CyberTech has also formed a group called ESUG (ESRI SAP Users Group). This is a group consisting of representatives from SAP, ESRI and customers where CyberTech has provided the SAP and ESRI integration services. SAP and ESRI integration is one more major growth potential business for CyberTech.

Custom Business Applications Practice:

Custom Business Applications Practice offers solutions in the areas of Software Application Development, Maintenance, Support, Modernization and Migration using Microsoft, Java, and Oracle technologies. This practice also offers help to the other practices in integrating the back end solutions provided by SAP and bring compiled/consolidated data to the customer using technologies provided by BEA, IBM, Microsoft, and Oracle.

CyberTech has a major Public Sector customer for whom we are providing these services in US. CyberTech also is providing application development, and infrastructure management services from offshore for few customers. With an objective to increase revenues further, we are focused on providing additional services to our existing client base in the areas of Custom Applications Development services. A majority of these activities can be delivered from our offshore delivery center.

Networking Practice:

CyberTech's Networking Practice is focused on providing networking resources to our Joint Venture Company, Corliant, Inc., which is a Cisco Systems Strategic Partner. This practice offers solutions and services in the areas of IP Infrastructure, IP convergence, IT Security, IP Telephony, Wireless and Remote Managed Services.

During the period under review, there has been a steady revenue generation. We are providing our networking services in the USA, Japan and India. We have also started a remote IPT (IP Telephony) monitoring support service for customers. These are long-term projects for CyberTech. There is large potential in this service offering and we are focused on winning more of such contracts in future.



NOTICE

NOTICE is hereby given that the Tenth Annual General Meeting of the members of **CyberTech Systems and Software Limited** will be held on Tuesday, the August 23, 2005, at the Registered Office of the Company at CyberTech House, Plot No. B – 63 to 65, Road No.21/34, J. B. Sawant Road, MIDC, Wagle Estate, Thane (West) – 400 604 at 4.00 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Company's audited Balance Sheet as at March 31, 2005 and the Profit and Loss Account for the period ended as on that date along with Schedules and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Viswanath Tadimety, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Ashok Datar, who retires by rotation and being eligible, offers himself for re-appointment
4. To appoint M/s. Lodha & Co., Chartered Accountants, Mumbai, as Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS:

5. To consider, & if thought fit, to pass, with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

“ Resolved that pursuant to the provisions of Sections 268,309,310, 311 and other applicable provisions, if any of the Companies Act, 1956, the terms of remuneration contained in the Agreement entered into by the Company with Mr. Vijay Talele, in respect of his appointment as the Executive Director of the Company for a period of three years with effect from 1st January 2004 as approved by the shareholders at the Ninth Annual General Meeting of the Company, held on December 22, 2004, be and are hereby modified as follows with effect from April 1, 2005 onwards.

In clause 3

Amount in Rs.

Sl. No.	Description	Existing (per annum)	Proposed change (per annum)
1	Salary	1,920,000	2,184,000
2	LTA	60,000	65,000
3	Meal coupons	13,200	15,600
4	Notice period	1 month	3 months

6. To consider, & if thought fit, to pass, with or without modification(s), the following resolution as **SPECIAL RESOLUTION**:

“ Resolved that in partial modification of the Resolution nNo.6 passed at the Seventh Annual General Meeting of the Company held on 27th December, 2002, Resolution no.7 passed at the Eighth Annual General Meeting held on 29th December, 2003 and Resolution No. 7 passed at the Ninth Annual General Meeting held on 22nd December, 2004 and in accordance with the provisions of Section 79A, 81 and other applicable provisions of the Companies Act, 1956, and in accordance with guidelines prescribed by the Securities and Exchange Board of India (SEBI) or any other authority from time to time and as required by the clause 49 of the Listing Agreement , the Board of Directors of the Company be and are hereby authorized to grant Employees Stock Options to the non-executive dDirectors including independent directors not exceeding 250,000 options in any financial year”

By **Order of the Board of Directors**

Suresh Thakur Desai
Company Secretary

Registered Office :

CyberTech House
Plot No.B – 63-65, Road No.21/34, J. B. Sawant Road,
MIDC, Wagle Estate, Thane (West) – 400 604

Date : June 22, 2005

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NOTES :

1. ***A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.***
2. Proxies, in order to be effective, must be lodged with the Company not less than 48 hours before the time fixed for the commencement of the meeting.
3. The Explanatory statement as required under section 173(2) of the Companies Act, 1956 in respect of Items No.5 and 6 is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed August 18, 2005 to August 23, 2005 (both days inclusive).
5. Members are requested to:
 - (a) notify immediately, change of address, if any, to the Company's Registrar and Share Transfer Agent, Intime Spectrum Registry Limited, C-13, Pannalal Silk Mills Compound , L.B.S. Marg, Bhandup (W), Mumbai - 400 078., if they are holding shares in physical form and to update such details with their respective Depository Participants (DPs), if they are holding shares in electronic form.
 - (b) write to the Company for any information about accounts at least 10 days in advance of the Annual General Meeting and
 - (c) bring the copy of the Annual Report along with them and to produce the Attendance Slip at the entrance of the Meeting Hall.
6. Members who have yet not encashed their dividend warrants may approach the Company for revalidation/ issue of duplicate dividend warrant since in terms of the amendments to Section 205A and Section 205C of the Companies (Amendment) Act, 1999, the amount of dividend remaining unclaimed for a period of seven years from the due date of payment is required to be transferred to the Investors Education and Protection Fund and no amount could be claimed thereafter.
7. Members/Beneficial Owners are requested to quote Folio No./DP and Client ID Nos. as the case may be, in all correspondence with the Company.
8. Members are requested to give their valuable suggestions for improvement of investor services and are also advised to quote their e-mail Ids, telephone/facsimile number for prompt reply to their communications.
9. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company during office hours on all working days, except Saturdays, Sundays and Holidays, between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.
10. The Company's Equity Shares are listed on The Stock Exchange, Mumbai and The National Stock Exchange of India Limited. The Company has paid the annual listing fees for the financial year 2005- 2006 to these Stock Exchanges.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO. 5: Increase in the remuneration of Mr. Vijay Talele

- 1.) Mr. Vijay Talele was appointed by the Board of Directors as an Executive Director of the Company for a period of three years with effect from January 1, 2004 upon the remuneration set out in the Agreement, dated January 1, 2004. The shareholders of the Company approved the remuneration and the terms of appointment at the Ninth Annual General Meeting held on December 22, 2004
- 2.) The Board of Directors are authorized by the shareholders to change the remuneration payable to Mr. Vijay Talele, within the limits prescribed in Schedule XIII and minimum remuneration payable there under. The Board of Directors of the Company have unanimously approved the proposed changes at their meeting held on June 22, 2005
- 3.) The proposed increase in the remuneration is within the limits prescribed in the said schedule XIII. The Board of Directors commends this resolution to the members for their approval.
- 4.) Mr. Vijay Talele is interested in the resolution to the extent of increase in the remuneration payable to him. No other Director is concerned or interested in this resolution.
- 5.) The above statement may be regarded as an Abstract of the terms and the memorandum of interest under Section 302 of the Act.



Item No.6: ESOP Explanatory statement

The Revised clause 49 of the Listing Agreement which becomes effective from January 1, 2006 requires that the shareholders shall specify the maximum number of stock options that can be granted to non-executive directors, including independent directors in any financial year and in the aggregate. The ESOP Scheme of the Company has prescribed the maximum limit of 1% of the paid up capital of the Company to all categories including the directors as per SEBI Guidelines. The proposed resolution fixes up the ceiling for the maximum number of options that could be granted to non- executive Directors including independent directors at 250000.

The Directors who will be eligible to get the benefit of the ESOP Scheme shall be deemed to be concerned or interested to that extent in the said resolution. The Board commends this Resolution for acceptance.

Information pursuant to clause 49 VI (A) of the Listing Agreement-

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting as reflected under item no. 2 & 3 of the Notice.

Names of Directors	Mr. Viswanath Tadimety	Mr. Ashok Datar
Date of Birth	October 5, 1962	November 22, 1940
Date of Appointment	May 23, 1995	August 08, 1995
Qualification	M.Tech from Indian Institute of Technology, Chennai	Master Degree in Economics from Stanford University USA
Experience in specific Functional Areas	Rich experience of over 18 years in Information Technology action, specializing in Network Systems and integrations.	Rich experience of over 38 years. A well known finance professional in the corporate sector
Directorship in other Companies	1) Corliant, Inc. USA 2) CyberTech Systems and Software Inc. USA 3) CyberTech Systems Inc. U.S.A	1) Focus Holdings Private Limited 2) Sunshield Chemicals Limited
Membership on Committees of other Companies	Nil	Nil

Registered Office:

CyberTech House
Plot No.B – 63-65, Road No.21/34,
J. B. Sawant Road, MIDC, Wagle Estate,
Thane (West) – 400 604
Date: June 22, 2005,

By Order of the Board of Directors

Suresh Thakur Desai
Company Secretary

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Report on the business and operations of your Company along with the Audited Accounts for the accounting year ended March 31, 2005. The report includes both separate results for the Company (CyberTech Systems and Software Ltd) as well as consolidated results for the Company, its USA subsidiary and its Joint Venture Partner. The figures for the accounting year under review are for nine months period (July 1, 2004 to March 31, 2005) and are not comparable with previous year's figures, which were for the twelve months period (July 1, 2003- June 30, 2004). In order to conform our year-end with most of the reporting companies and to gain efficiencies from reporting on the same year-end for both tax and financial reporting purposes, your Directors have decided to follow the accounting year ending on March 31, henceforth.

FINANCIAL RESULTS:

(Rs. Lakhs)

	CyberTech Systems & Software Limited		Consolidated	
	2004-2005 (July 1, 04 to March 31, 05)	2003-2004 (July 1, 03 to June 30, 04)	2004-2005 (July 1, 04 to March 31, 05)	2003-2004 (July 1, 03 to June 30, 04)
Gross Revenue	709.43	726.63	4111.28	4078.17
Profit/(Loss) before Interest & Depreciation	45.24	(138.34)	185.69	145.80
Interest	-	-	0.08	0.52
Depreciation	104.77	277.55	161.52	336.54
Profit/(Loss) before tax	(59.53)	(415.89)	24.09	(191.26)
Provision for tax (including interest on earlier years)	-	38.12	56.17	103.51
Profit/(Loss) after tax	(59.53)	(454.01)	(32.08)	(294.77)
Accumulated losses b/f from previous year	(2798.43)	(2344.42)	(2720.98)	(2436.84)
Balance to be carried forward	(2857.96)	(2798.43)	(2753.06)	(2731.61)

DIVIDEND:

The Board of Directors regrets its inability to recommend any dividend for the year under review.

REVIEW OF COMPANY'S OPERATIONS AND PERFORMANCE:

The Company has continued to register overall improvement in the operating results. The Company achieved this mainly by increasing the revenue from the operating activities and reducing its cost structure. The Company's joint venture with Corliant Inc. is continuing to support company's networking practice and generates Company revenue. Total revenue during the year stood at Rs 709.43 Lakhs (for the nine month period) as compared to Rs 726.63 Lakhs during the previous year. On an annualized basis this marks an increase of 30%. This was achieved by increasing sales and recruiting talent both in Sales and Delivery, while holding to a nominal increase of 8% in the employee cost of the company. Your Company continued to concentrate on increasing the share of offshore support revenue. The portion of offshore revenue has increased from 13% in the previous year to 17% during the period under review.

The Company continued its focus on cost reduction and optimum utilization of available resources. The Company arrested its cash loss.

The Company continues to concentrate on its core strength area viz. software development services and support. Its subsidiary company continues to focus on delivering software application implementation services in the US.

There was a marginal profit before interest and depreciation of Rs 45.24 Lakhs as against the loss before interest and depreciation of Rs 138.34 Lakhs in the previous year. The Company has provided Rs 104.77 Lakhs for depreciation after which the loss during year comes to Rs 59.53 Lakhs as compared to a loss of Rs 415.89 Lakhs in the previous year.

JOINT VENTURE COMPANY:

The Company's investment in the Joint Venture Company ("JVC") viz. Corliant, Inc. USA continues to contribute to your Company's results by generating revenue from the offshore and onsite design, deployment and support of enterprise and service provider networks. This covers territories such as U.S.A., Japan, Latin America and Asia Pacific. During the year under review, your Company earned revenue of Rs. 156.54 Lakhs. During the year, the JVC adjusted its capital structure to



reflect a conversion of all outstanding senior equity securities into common shares. Your Company endorsed this action; as a result, the Company's investment was reduced to 4.5% of the outstanding shares.

WHOLLY OWNED SUBSIDIARY IN USA:

As reported in the previous year's report, effective July 1, 2003 in order to strengthen its position as a strong offshore solutions provider, your Company had set up CyberTech Systems & Software Inc (CSSI), as a Wholly Owned Subsidiary (WOS) in the state of Delaware in United States of America (USA). This subsidiary is meeting our expectations in terms of performance from the date of commencement of its operations on October 1, 2003.

CSSI has reported a profit of Rs 38.41 Lakhs post depreciation and tax on a revenue of Rs 3,664.56 Lakhs.

WHOLLY OWNED SUBSIDIARY IN EUROPE:

The Company is in the process of winding up its wholly owned subsidiary, CyberTech Europe, S.A, which is a holding company based in Luxembourg ("CTE"), as well as all of CTE's European operating subsidiaries (namely CyberTech-Belgium, CyberTech-France and CyberTech- UK). Accordingly, the results of these companies have been excluded from consolidated operations. CTE sold its European business operations to an unaffiliated party in the prior fiscal year and commenced liquidation of these entities in accordance with local statute. The majority of the holding company and operating subsidiary's assets have been monetarized and non-affiliate liabilities have been satisfied resulting in no liability to the parent company and no excess assets for distribution. There will be no assets remaining to satisfy affiliated accounts receivable. There will be a minor ongoing cost of liquidation incurred by CTE over the next six to nine months through the final liquidation of the companies.

SUBSIDIARY COMPANY'S ACCOUNTS:

The statement pursuant to section 212 of the Companies Act, 1956, containing details of the Company's subsidiaries CyberTech Systems & Software Inc, USA (CSSI) CyberTech Europe (CTE), are attached.

CONSOLIDATED FINANCIAL STATEMENTS:

The consolidated financial statement of the Company, its wholly owned subsidiary and the JVC, prepared in accordance with Accounting Standard 21 (Consolidation of Accounts), Accounting Standard 27(Financial Reporting of Interest in Joint Ventures) prescribed by the Institute of Chartered Accountants of India and in terms of the listing agreement with the Stock Exchanges, form part of the Annual Report and Accounts. The summarized statements are given alongside the financial results of your Company

On consolidated basis, the revenue of the company aggregated Rs.4111.28 Lakhs. The operations resulted in a consolidated Loss of Rs. 32.08 Lakhs post tax and depreciation. This reflects a substantial improvement over the prior year due to the positive contributions from the JVC and the wholly owned subsidiary as well as cost containment measures and revenue improvement shown by the Company.

After excluding the non-cash costs towards depreciation and unrealized foreign currency fluctuations and the tax provision your Company's proforma consolidated pre tax cash profit during the year, was Rs 226.16 Lakhs.

The financials of CyberTech Europe (CTE), the 100% subsidiary and its downstream subsidiaries, have not been taken into the consolidated accounts, as the company's interest in CTE is held with the sole purpose of disposal/winding-up in due course of time.

FUTURE OUTLOOK:

CyberTech has Alliance partnerships with several leading technology companies in its practice areas including SAP, ESRI and Cisco. Your company is well poised to take advantage of several of the new advanced technologies provided by these Alliance partners. These technology alliance partners expect to see a major technology upgrade and refresh for their customers in the United States. SAP for instance, expects its market will change substantially with the introduction of its newer version mySAP ERP. This will create the potential for customers to upgrade to the newer SAP Enterprise version and integration of this upgrade with other applications. All this will present good opportunity for the company.

Though the visa regulations have become tighter and the cap on number of H1 visas has been reduced by more than half, your Company feels optimistic about the year ahead. Your Company has, most of the times, been able to procure the necessary visas for delivering onsite business.

The reorganization of CyberTech's business as an offshore solutions company and the tighter controls on costs in the US has generated positive results. Your Company is increasing focus on SAP and is positioning itself both in the post implementation market and new implementations. This will help your Company in procuring long-term business contracts and deeper relationships with its clients The Company has already won a few offshore deals in the SAP post implementation support

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space during the last few months and expects to close a few more deals during the coming months. Your Company will continue to maintain focus on ESRI Alliance partnership, which has helped us in gaining presence in the Geographic Information Systems (GIS) practice. Your Company is proud to be ESRI's only offshore partner & expects to continue to provide offshore support from India to ESRI in building applications. Our Custom Application Solutions practice is moving in the right direction with a renewed focus on offshore support and maintenance. Tied with Corliant Inc., the future outlook for the networking practice appears to be good as stated before.

TAXATION:

Your directors draw attention of shareholders to the pending tax disputes explained in note no. 7 in schedule 14 of the accounts.

Since the decision of the ITAT, who were in disagreement with the Company's opinion, the Company has carefully examined both the impact on the Company's financial statements and further options available. A final decision will be made in due course. However, the company is of the opinion that the available options under the act and the present status of the provision in the accounts and payment provides enough guard against any eventuality of further liabilities on this account.

FIXED DEPOSITS:

The Company did not accept any fixed deposits during the year within the meaning of Section 58-A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.

GENERAL:

The Management and Discussion Analysis Report detail the operations of the Company in detail and form a part of this Annual Report.

CORPORATE GOVERNANCE:

As per the Listing Agreement with the Stock Exchange(s), the Company has complied with the requirements of the Corporate Governance. A report on Corporate Governance is attached to this report.

DIRECTORS:

During the year under review the Company had five directors, out of them three directors are independent directors.

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Mr. Viswanath Tadimety and Mr. Ashok Datar, Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Necessary resolutions for appointment / re-appointment of the aforesaid directors have been included in the Notice convening the ensuing Annual General Meeting.

None of the directors of the Company is disqualified for being appointed as director as specified in Section 274(1)(g) of the Companies Act, 1956 as amended by the Companies (Amendment) Act, 2000.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibilities Statement, it is hereby confirmed that:

- i) in the preparation of the annual accounts for the financial year ended March 31, 2005, the applicable accounting standards were followed and proper explanation relating to material departures given.
- ii) the Directors selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- iii) the Directors took proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
- iv) the Directors have prepared the annual accounts on a going concern basis.

AUDITORS:

M/s. Lodha & Co., Chartered Accountants, Mumbai, the Statutory Auditors, hold office until the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment. The Company has received a certificate from the Auditors to the effect that their re-appointment, if made, will be within the limits as stipulated under Section 224(1B) of the Companies Act, 1956. The members are requested to consider appointment of M/s. Lodha & Co. as Statutory Auditors at the ensuing Annual General Meeting.



The comments made by the Auditors in their report are self-explanatory and do not call for further explanation.

INFORMATION PURSUANT TO SECTION 217 OF THE COMPANIES ACT, 1956:

The particulars of employees required to be disclosed in accordance with the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, form part of this Directors' Report. However, this annexure is not being sent along with this Report. In line with the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956. Shareholders who are interested in obtaining these particulars may please write to the Company Secretary, at the Company's Registered Office.

Information with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo, pursuant to Section 217(1)(e) of the Companies Act, 1956 is set out in the Annexure to this Report.

EMPLOYEES STOCK OPTION PLAN:

The Company has formulated Employees Stock Option Plan within the framework of SEBI Guidelines.

As on March 31, 2005 the Company has granted 16,55,020 options. Of these 1,14,930 options were vested at fiscal year end. Option holders exercised 1,800 options out of such vested options. Thus 1,13,130 options are vested but not exercised at the year-end. There were 9,48,300 options forfeited during the year. Options not vested as on March 31, 2005, were 5,91,790. None of the employees / directors were granted options during the year, equal to or exceeding 1% of the Issued Capital of the Company at the time of grant. Options surrendered or forfeited due to resignation of employees have been cancelled.

ACKNOWLEDGEMENT:

Your Directors wish to place on record their appreciation and sincere gratitude to the various Departments of the Central and State Government, Company's Bankers, clients, media and business constituents for their valuable assistance and support. The Directors also acknowledge the continued support received from investors and shareholders and the confidence reposed by them. The Directors also record their appreciation for the sincere and dedicated services rendered by all the employees of the Company.

For and on behalf of the Board of Directors

Place:
Date: June 22, 2005.

Viswanath Tadimety
Chairman

ANNEXURE TO DIRECTORS REPORT

Information under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors Report for the Year ended March 31, 2005.

CONSERVATION OF ENERGY:

Since the Company is engaged in the manufacture of Computers Software development and other related activities, furnishing of details pertaining to conservation of energy are not applicable.

- | | | |
|--|---|--|
| a. Energy conservation measures taken | : | The Computer systems installed are designed for low power consumption. |
| b. Additional investments and proposals, if any, being implemented for reduction of energy. | : | Nil |
| c. Impact of measure in (a) and (b) for Reduction of energy consumption and Consequent impact on the cost of production. | : | Not Applicable |
| d. Total energy consumption and energy consumption per unit of production. | : | Not Applicable |

TECHNOLOGY ABSORPTION:

- | | | |
|--|---|----------------|
| e. Efforts made in technology absorption | : | Not Applicable |
|--|---|----------------|

FOREIGN EXCHANGE EARNINGS AND OUTGO:

- | | | |
|--|---|---------------------------|
| f. Activities relating to exports initiative taken to increase exports, development of new exports, development of new export market for products and services and export plans. | : | As detailed in the Report |
| g. Statement of expenditure/Earnings incurred in Foreign Currency | | |
| Outgo (Capital Goods) | : | Rs. Nil |
| Income | : | Rs. 6,66,25,351 |



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. Overview

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956 and Generally Accepted Accounting Principles (GAAP) in India. The management of CyberTech Systems and Software Limited accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used in preparing the financial statements.

B. Industry Structure & Developments:

NASSCOM had projected that IT Industry in India is estimated to grow at 30% during the year 2004-05. The export of services was also estimated to grow at 35% during last year. We believe this demonstrates that the Indian IT industry is viable and continues to grow at a higher percentage than other industries. Nearly 60% of the revenues in the IT industry are from IT services and software segment. NASSCOM has estimated that the Indian IT industry will grow at 24% this year.

The Exports Revenue continues to be the major share of Indian IT industry. Last year it was 62% and most of it coming from USA and Europe, 69% and 22% respectively.

With the increasing trend towards offshore outsourcing of IT services, India maintains its basic advantages due to abundant skilled resources, high quality delivery methodologies and significant cost benefits. Offshore delivery models are the key to the increased software exports from India and delivery of new emerging service areas including infrastructure management.

C. Opportunities & Threats:

Opportunity:

Information Technology support services remain an increasingly competitive business environment. With the change in emerging technology areas, companies have become dependent on technology not only for day-to-day operations, but also for the use of technology as a strategic tool to enable them to re-engineer business processes, restructure operations, ensure regulatory compliances, etc. As systems continually become more complex, companies increasingly turn to external IT services provider to develop & implement new technologies & integrate them with existing applications in which companies have made considerable prior investments. This also provides an opportunity for providers to support and integrate company IT systems on an ongoing basis.

CyberTech has Alliance partnerships with several leading technology companies in its practice areas including SAP, ESRI and Cisco. Your company is well poised to take advantage of several of the new advanced technologies provided by these Alliance partners. These technology alliance partners expect to see a major technology upgrade and refresh for their customers in the United States. SAP for instance, expects its market will change substantially with the introduction of its newer version mySAP ERP. This will create the potential for customers to upgrade to the newer SAP Enterprise version and integration of this upgrade with other applications. All this will present good opportunity for the company.

Threats:

The company is subject to the threats of competing against International IT players, large global Indian IT players and more entrenched system integrators, many of which provide services on an offshore basis. Other general threats to the business include the potential backlash in the US from the increasing loss of employment due to outsourced services overseas, H-1 visas limit, and the exchange rate fluctuations.

D. Outlook, Risks & Concerns:

Outlook:

The reorganization of CyberTech's business as an offshore solutions company and the tighter controls on costs in the US has generated positive results. Your Company is increasing focus on SAP and is positioning itself both in the post implementation market and new implementations. This will help your Company in procuring long-term business contracts and deeper relationships with its clients. The Company has already won a few offshore deals in the SAP post implementation support space during the last few months and expects to close a few more deals during the coming months. Your Company will continue to maintain focus on ESRI Alliance partnership, which has helped us in gaining presence in the Geographic Information Systems (GIS) practice. Your Company is proud to be ESRI's only offshore partner & expects to continue to provide offshore support from India to ESRI in building applications. Company's Custom Application Solutions practice is moving in the right direction with a renewed focus on offshore support and maintenance. Tied with Corliant Inc., the future outlook for the networking practice appears to be good as stated before.

Through focus on its customer base, core delivery strengths and its India delivery model, it expects to continue to see improvement in its results in the near term. The company has been making continuous efforts to increase its focus and sale of offshore services, which contributes to higher margins. Better performance of your Company's Joint Venture & and of wholly owned subsidiary in USA are expected to improve the outlook and minimize the adverse impact of the socio-economical changes in USA. The US subsidiary continues to derive a majority of its income from several significant clients.

Risks and Concerns:

The risks and concerns include, but are not limited to the following.

- Excessive dependence on the one geographic segment
The large percentage of company's export revenue comes from US. A heavy dependence of this one geographic segment could lead to volatility because of the economic and political situation there. Your company is looking at other potential growth markets to reduce this dependency. The company is considering developing its business in India and neighboring countries to reduce this dependency.
- Attracting and retention of IT Professionals
In the IT services area, People are the most valuable assets. Attrition of the key technical talent is one of the major risks. The company reviews the compensation policies regularly and ensures that the compensation is competitive with the market conditions. Company also ensures that there is a defined career path for all employees and the work environment provided to all employees is of very high standard.
- Fluctuation in exchange rates
During this financial year, the Rupee to US Dollar exchange rate had a large volatility. The Rupee appreciated almost 5% and this significantly impacts the total revenue of the company. The company is considering the hedging policy to be in place to minimise the impact of currency fluctuation.
- Results of Tribunal hearings
During the year, the Tax Tribunal heard the Company's appeal on the various tax matters as noted in this report and decided in favor of the Department of Revenue on the major items. Although the Company believes it has adequately provided for this liability, the position of the Department will not be known until its final ___demand notice ___ is issued.

E. Internal Control System & their Adequacy:

Your Company has adequate systems of internal controls commensurate with the size of operations & the nature of business. The internal control systems lay down policies, authorization & approval procedures. Regular internal audits & checks ensure that the responsibilities are executed effectively. The Audit committee checks the adequacies of control measures. Management suitably implements the suggestions & recommendations of Audit committee, the Internal Auditors & the Statutory Auditors. The adequacy of the internal control systems has been confirmed by the auditors under the Manufacturing & Other Companies (Auditors' Report) Order, 1988.

F. Financial performance:

The Company continued to register overall improvement in the operating results each quarter. Total revenue during the year stood at Rs 709.43 Lakhs (for the nine month period) as compared to Rs 726.63 Lakhs during the previous year. On an annualized basis this marks an increase of 30%. This was achieved by increasing the focus in the US on developing sources of offshore revenue as well as recruiting talent both in Sales and Delivery, with a nominal increase of 8% in the employee cost of the company. Your Company continues to concentrate on increasing the share of offshore support revenue. The portion of offshore revenue has increased from 13% in the previous year to 17% during the period under review, which still is behind the industry average.

The Company continued its focus on cost reduction and optimum utilization of available resources leading to its arresting its cash loss. There was a marginal profit before interest and depreciation of Rs 45.24 Lakhs as against the loss before interest and depreciation of Rs 138.34 Lakhs in the previous year. The Company achieved this mainly by increasing the revenue from the operating activities and reducing its cost structure. The Company's joint venture with Corliant Inc. is continuing to support the company's networking practice and generates revenue for the Company.

After providing for depreciation of Rs 104.77 Lakhs, the Company's loss during year comes to Rs 59.53 Lakhs as compared to a loss of Rs 415.89 Lakhs in the previous year.

On consolidated basis, the revenue of the company aggregated Rs.4111.28 Lakhs. The operations resulted in a consolidated Loss of Rs. 32.08 Lakhs post tax and depreciation. This reflects a substantial improvement over the prior year due to the positive contributions from the wholly owned subsidiary and the JVC, as well as cost containment measures and revenue improvement shown by the Company.

G. Human Resource Management:

The Company places major emphasis on providing a safe & healthy working environment to all its employees. Company regularly reviews the performance of its employees & provides them job enrichment opportunities. For ensuring sense of ownership & commitment towards work, your company has Stock Options Plan to the eligible Employees / Directors.

H. Cautionary Statement:

Statements in this Management Discussion & Analysis describing the Company's objectives, projections, estimates, expectations or projections may be 'forward looking statements'. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic developments, particularly in the USA, & improvements in the state of Information Technology Services markets, changes in the Government regulations in India & USA, tax laws & other incidental factors.



AUDITORS' CERTIFICATE

**To the Members of
CyberTech Systems and Software Limited**

- 1 We have examined the compliance of the conditions of Corporate Governance by **CyberTech Systems and Software Limited** for the year ended 31st March,2005, as stipulated in clause 49 of the Listing Agreements of the said Company with Stock Exchanges in India.
- 2 The Compliance of conditions of the Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- 3 In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.
- 4 We state that no investor grievances are pending for a period exceeding one month as on 31st March,2005 as per the records maintained by Shareholders'/ Investors' Grievance Committee except in respect of 2 subjudice cases between the buyer and seller of the Company's share (pertaining to the earlier years) not involving investors' grievances, against the company.
- 5 We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Lodha & Co.
Chartered Accountants

R.P.BARADIYA
Partner
Membership No: 44101

Mumbai
Dated:

REPORT ON CORPORATE GOVERNANCE

The detailed report on Corporate Governance as prescribed by SEBI and as per Clause 49 of the Listing Agreement is set out below.

Your Company has implemented all the mandatory provisions on Corporate Governance stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges.

Company's Philosophy on Code of Corporate Governance:

Since inception, CyberTech has been practicing the principles of good corporate governance as means of effective protection and enhancement of shareholders' interest. Business focus of CyberTech is to deliver predictable revenues with profits. CyberTech will measure its success by the long-term movement of its business, its profitability and subsequently shareholder value. CyberTech believes that transparency in operations strengthens investors' confidence.

Board of Directors:

As of 31st of March 2005, the Board of Directors comprised five members, consisting of one promoter director (who is a Non-Executive Chairman), one executive director and three non-executive directors (all of whom are independent).

During the period July 2004 to March 2005, the Board met six times on the dates as per details given below:

Details of Board Meetings held during July 2004 to March 2005:

Date of Board Meeting	29.07.04	28.09.04	28.10.04	17.11.04	22.12.04	28.01.05
Board Strength	5	5	5	5	5	5
No. of Directors Present	5	4	4	4	5	4

Attendance of each director at the Board Meetings:

Name of Director	No. of Board Meetings held	No. of Board Meetings attended	Last AGM attendance (Yes/No)
Mr. Viswanath Tadimety	6	2	Yes
Mr. A. V. Rajwade	6	6	Yes
Mr. A.R. Datar	6	6	Yes
Mr. Arun shah	6	6	Yes
Mr. Vijay Talele	6	6	Yes

Mr. Viswanath Tadimety was present on-line when he was not physically present.

The number of other directorships held by the Directors of the Company is given below:

Director	PD/* ID/ED	No. of other Directorship(s)**	Committee Membership	Committee Chairmanship
Mr. Viswanath Tadimety	PD	-	-	-
Mr. A. V. Rajwade	ID	4	1	-
Mr. A. R. Datar	ID	1	-	-
Mr. Arun Shah	ID	7	4	1
Mr. Vijay Talele	ED	-	-	-

* PD – Promoter Director, ID – Independent Director, NID – Non Independent Director, ED – Executive Director.

** Excludes directorships of Indian Private Limited Companies and foreign companies.



Audit Committee:

As of March 31, 2005, the Audit Committee comprises of three directors, all of them are independent, Non-Executive Directors. The Chairman of the Audit Committee is Mr. A. V. Rajwade and its other members are Mr. A. R. Datar and Mr. Arun Shah. All these members/directors possess knowledge of corporate finance, accounts and company law.

The terms of reference of the Audit Committee includes:

- Reviewing with the Management the Annual/Half-yearly/quarterly financial statements;
- Reviewing with Statutory Auditors and Internal Auditors, adequacy of internal control systems;
- Reviewing the Reports of the Internal and Statutory Auditors along with the comments and action taken reports of the Management;
- Recommending the appointment and removal of Statutory Auditors, fixation of Audit Fees etc.
- Examine accountancy, taxation and disclosure aspects of all significant transactions.

The Audit Committee met Six times during the financial Year, July 2004 to March 2005 on 29.07.04, 28.09.04, 27.10.04, 04.01.05, 27.01.05, and 10.03.05

The attendance at the Audit Committee meetings was as under:

Director	No. Of committee meetings held	No. Of committee meetings attended
Mr. A. V. Rajwade	6	6
Mr. A. R. Datar	6	6
Mr. Arun Shah	6	6

Remuneration/ Compensation Committee:

The Compensation Committee comprises of Four Non-Executive Directors, Mr. A. V. Rajwade (Chairman), and Mr. A. R. Datar, Mr. Arun B. Shah and Mr. Viswanath Tadimety.

Its functions are (a) to ensure that a proper system of compensation is in place, (b) to devise and recommend to the Board a Scheme for granting options to the employees of the Company and (c) to frame suitable regulations to ensure the proper administration and superintendence of the Employees Stock Option Plan (ESOP) Scheme.

The Committee submits its recommendation to the Board of Directors from time to time with respect to the details of eligible employees for granting options under ESOP to them.

Details of remuneration to all the Directors, for financial year 2004- 2005:

Name	Designation	Salary (Rs.)	Performance Incentive (Rs.)	Sitting Fees (Rs.)	Comm- ission (Rs.)	Total (Rs.)	Notice Period	Severance Fee	Stock options (Nos.)
Mr. Viswanath Tadimety	Chairman	Nil	Nil	15000	Nil	15000	Nil	Nil	Nil
Mr. A. V. Rajwade	Director	Nil	Nil	80000	-	80000	Nil	Nil	27000
Mr. A.R.Datar	Director	Nil	Nil	80000	-	80000	Nil	Nil	27000
Mr. Arun B. Shah	Director	Nil	Nil	80000	Nil	80000	Nil	20000	
Mr. Vijay Talele	Executive Director	1881000	3.00 Lac	Nil	Nil	2181000	1 month	Nil	75000

**The Stock Options are issued at the prevailing market prices as on the date of grant. The vesting Schedule will involve a vesting of 25% of the option grant on the first, second, third and forth anniversaries of the date of grant.*

Shareholders'/Investors' Grievance Committee:

Shareholders'/Investors' Grievance Committee comprises of Mr. A.R. Datar, Non-Executive Director as Chairman of the Committee, Mr. Vijay Talele, Executive Director, and Mr. Viswanath Tadimety Non Executive Promoter Director of the Company. The Board has authorised the Committee to approve the share transfers/transmissions, issue of duplicate share certificates and review the status of investors' grievances and redressal mechanism and to recommend measures to improve

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the level of investor services. Details of share transfers/transmissions approved by the Committee are placed at the Board Meetings from time to time. The Board has delegated the authority, to the Shareholders'/Investors' Grievance Committee, to allot equity shares against the Stock Options exercised by the employees/directors, granted to them under the Employees Stock Option Plan (ESOP) of the Company.

Details of Shareholders' Complaints received, not solved and pending Share complaints:

Name and designation of compliance officer:

Mr. Suresh Thakur Desai was appointed as Company Secretary and Compliance officer, with effect from March 1,2005 in place of Mr. Sanjay Parab.

The total number of inquiries received by the Company from July 2004 to March 2005, was 12. All these inquiries have been attended to, replied and resolved to the satisfaction of the shareholders. As on 31st March 2005, there are 2 complaints that remained to be resolved. The complaints relate to the disputed bonus shares claimed by two parties, who have resorted to litigation. Since these matters are sub-judice, they would get resolved only when the Court decides the dispute between the parties. Company cannot resolve them.

As on 31st March 2005, all the share transfers had been given effect to and no share transfers were pending.

Previous three Annual General Meetings:

Particulars	F.Y.2001-02	F.Y.2002-03	FY 2003-2004
Date & Time	December, 27, 2002 4.00 p.m	December, 29, 2003 4.00 p.m.	December, 22, 2004 4.00 p.m
Venue	'CyberTech House' Plot No. B-63/64/65 Road No.21/34, J.B. Sawant Marg, MIDC Wagle Estate Thane (West) – 400604	'CyberTech House' Plot No. B-63/64/65 Road No.21/34, J.B. Sawant Marg, MIDC Wagle Estate Thane (West) – 400604	'CyberTech House' Plot No. B-63/64/65 Road No.21/34, J.B. Sawant Marg, MIDC Wagle Estate Thane (West) – 400604

Disclosures:

The Company does not have any materially significant related party transactions with its Promoters, the directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.

There was no non-compliance by the Company and no penalties; strictures were imposed on the Company by Stock Exchange or SEBI in respect of any matter related to capital markets, during the last three years.

During the year under review for some time the equity shares of the Company were moved on to the trade to trade segment, which were later on re-transferred to its original class by the Stock Exchange, Mumbai (BSE) and National Stock Exchange of India Ltd. (NSE)

Means of Communication:

Half – Yearly report sent to each household of shareholders - NO

The quarterly results are published in a National Newspaper, a regional newspaper and put on the website of the Company www.cybertech.com

Whether it also displays official news releases, and the presentations made to the institutional investors or to analyst - NO

Whether Management Discussion and Analysis is part of Annual report - YES



AUDITORS' REPORT

To the Members of

CYBERTECH SYSTEMS AND SOFTWARE LIMITED

- 1) We have audited the attached Balance Sheet of **CYBERTECH SYSTEMS AND SOFTWARE LIMITED** as at 31st March, 2005, the Profit and Loss Account and also the Cash Flow Statement for the nine month period ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 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 statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion, to the extent applicable.
- 3) As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956 (hereinafter referred to as the "Act"), we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order, to the extent applicable.
- 4) Further to our comments in the Annexure referred to in paragraph (3) above, we report that:
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in Section 211(3C) of the Act, to the extent applicable;
 - v) On the basis of written representations received from the directors as on 31st March, 2005 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2005 from being appointed as a director of the Company in terms of Section 274(1)(g) of the Act;
 - viii) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with Note no.5 regarding investment of Rs.941.20 lacs in an associate company and Note no. 6 regarding long overdue debt of Rs.57.12 lacs in Schedule 14 of Significant Accounting Policies and Notes to Accounts and other notes appearing in the said Schedule and those appearing elsewhere in the accounts, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2005;
 - b) in the case of the Profit and Loss Account, of the loss for the nine month period ended on that date; and
 - c) in the case of the Cash Flow Statement, of the cash flows for the nine month period ended on that date.

For **LODHA & COMPANY**
Chartered Accountants

R.P.BARADIYA
Partner

Membership No : 44101

Place : Mumbai;

Dated:

Annexure referred to in paragraph 3 of our report of even date to the Members of Cybertech Systems and Software Limited on the accounts for the year ended 31st March, 2005

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of audit, we state that:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained, the assets have been physically verified by the management during the year at reasonable intervals

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and no material discrepancies were noticed on such verification.

- (c) During the year, no substantial part of fixed assets has been disposed off by the Company.
2. The Company is a service company, primarily rendering information technology services. Accordingly it does not hold any physical inventories. Thus paragraph 4(ii) of the order is not applicable.
 3. The Company has not granted or taken any loans, secured or unsecured, to/from Companies, firms or other parties covered in the register maintained under Section 301 of the Act except interest free loan of Rs. 129.62 granted to a subsidiary in an earlier year which is overdue and has been fully provided for in the books.
 4. In our opinion, having regard to the explanations that some of the items are of a special nature and suitable alternative source does not exist for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets and the sale of services. During the course of our audit, we have not observed any continuing failure to correct major weakness in these internal control procedures.
 5. The transactions that need to be entered into the register maintained under Section 301 of the Act, have been so entered. In our opinion, having regard to our comment in para 4 above the transactions of sale of services made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Act and aggregating during the year to Rs.500,000 or more in respect of each party have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
 6. The Company has not accepted any deposits within the meaning of Section 58A, 58AA or any other relevant provisions of the Act and Rules framed thereunder.
 7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
 8. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Act in respect of services carried out by the Company.
 9. (a) The Company is generally regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employee state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it with the appropriate authorities. There are no undisputed statutory dues outstanding for more than six months as at 31st March, 2005 from the date they became payable.
(b) There are no dues in respect of Income tax/ Sales tax/ Wealth tax/ Service tax/ Customs duty/ Excise duty/ cess which have not been deposited on account of any dispute except Income Tax dues aggregating to Rs. 264.51 lacs, the disputes whereof are pending before Income Tax Appellate Tribunal and Rs.267.51 lacs, the dispute whereof is pending before CIT (A).
 10. The Company's accumulated losses does not exceed more than fifty percent of its net worth at the end of the financial year. The Company has not incurred cash losses during the current financial year and has, however incurred cash losses in the immediately preceding financial year.
 11. The Company has neither taken loans from a financial institution / bank nor issued any debentures.
 12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other investments.
 13. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
 14. According to the information and explanations given to us, the Company has not taken any term loans during the year.
 15. According to the information and explanations given to us, the Company has not raised any funds on short term basis.
 16. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
 17. The Company has not issued any debentures during the year.
 18. The Company has not raised any money by public issues during the year.
 19. To the best of our knowledge and belief and according to the information and explanations given to us, during the year no fraud on or by the Company has been noticed or reported by/to us during the course of our audit.

For LODHA & COMPANY
Chartered Accountants

R.P. BARADIYA
Partner
Membership No.: 44101

Place: Mumbai
Date: 22nd June 2005



BALANCE SHEET AS AT 31ST MARCH, 2005

	SCHEDULE	Rs.	As at 31st March, 2005 Rs.	As at 30th June, 2004 Rs.
SOURCES OF FUNDS				
SHAREHOLDERS' FUNDS				
Share Capital	1	231,852,230		231,852,230
Reserves & Surplus	2	396,723,085		396,723,085
			628,575,315	628,575,315
			628,575,315	628,575,315
APPLICATION OF FUNDS				
FIXED ASSETS				
Gross Block	3	319,955,434		335,275,586
Less: Depreciation		165,008,930		170,201,347
Net Block			154,946,504	165,074,239
ASSETS HELD FOR DISPOSAL				
INVESTMENTS	4		37,409,333	40,706,178
CURRENT ASSETS, LOANS AND ADVANCES				
Sundry Debtors	5	30,616,452		31,158,581
Cash and Bank Balances	6	6,789,453		2,377,043
Loans and Advances	7	3,566,910		4,518,779
		40,972,815		38,054,403
Less: CURRENT LIABILITIES AND PROVISIONS				
Current Liabilities	8	10,562,982		10,423,766
Provisions	9	47,198,457		52,927,061
		57,761,439		63,350,827
NET CURRENT ASSETS/ (LIABILITIES)				
MISCELLANEOUS EXPENDITURE	10		(16,788,624)	(25,296,424)
(To the extent not written off or adjusted)			521,826	757,572
PROFIT AND LOSS ACCOUNT (LOSS)				
			285,795,576	279,842,550
			628,575,315	628,575,315

Significant Accounting Policies and Notes to the Accounts.

14

Schedules referred to above form an integral part of the Financial Statements

As per our attached report of even date

For Lodha & Co.
Chartered Accountants

For and on behalf of the Board of Directors

R.P. Baradiya
Partner

Suresh Thakur Desai
Company Secretary

Vijay Talele
Executive Director

A.V.Rajwade
Director

Mumbai,
Dated: 22nd June 2005

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PROFIT AND LOSS ACCOUNT FOR THE NINE MONTHS PERIOD ENDED 31ST MARCH, 2005

		For the year 1st July, 2004 to 31st March, 2005 Rs.	For the year 1st July, 2003 to 30th June, 2004 Rs.
INCOME			
Income from:			
Software Development and Services		66,625,351	66,967,888
Traded Goods		-	167,180
		66,625,351	67,135,068
Other Income	11	4,318,059	5,517,654
		70,943,410	72,652,722
EXPENDITURE			
Cost of Traded Goods		-	160,750
Employee costs	12	39,164,347	48,141,198
Operating and Administrative expenses	13	27,255,008	38,184,593
Depreciation		10,477,081	27,754,827
		76,896,436	114,241,368
Loss before tax		5,953,026	41,588,646
Provision for Interest on tax for earlier years		-	3,812,000
Loss for the year		5,953,026	45,400,646
Balance of Loss Brought Forward		279,842,550	234,441,904
Balance of Loss Carried Forward		285,795,576	279,842,550
Earnings Per Share - Basic & Diluted		(0.26)	(1.96)

Significant Accounting Policies and Notes to the Accounts.

14

Schedules referred to above form an integral part of the Financial Statements

As per our attached report of even date

For Lodha & Co.
Chartered Accountants

For and on behalf of the Board of Directors

R.P. Baradiya
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Vijay Talele
Executive Director

A.V.Rajwade
Director

Mumbai,
Dated: 22nd June 2005



CASH FLOW STATEMENT FOR THE NINE MONTHS PERIOD ENDED 31ST MARCH, 2005

	For the year 1st July,2004 to 31st March,2005 Rs.		For the period 1st July,2003 to 30th June,2004 Rs.
A. Cash flow from Operating activities			
Net loss before tax and exceptional items :	5,953,026		41,588,646
Adjustments for :			
Depreciation	10,477,081	27,754,827	
Miscellaneous expenses written off	235,746	314,330	
Unrealised foreign exchange	338,810	(35,074)	
Loss on assets sold / impaired (Net)	300,731	-	
Provision for Retirement Benefits	1,845,925	1,049,822	
Provision for Doubtful Debts	-	4,475,480	
Interest income	(1,553,791)	(221,021)	
Loss on Sale of Investments	-	26,077	
Donation (in kind)	-	27,530	
Profit on Sale of Investments	(15,106)	(3,146,869)	
	11,629,396		30,245,102
Operating profit before Working Capital changes	5,676,370		(11,343,544)
Adjustments for :			
Decrease/(Increase) in Trade & other receivables	1,150,188	5,156,917	
Increase/(Decrease)Trade payables	136,772	(5,054,795)	
	1,286,960		102,122
Cash used in operations	6,963,330		(11,241,422)
Direct taxes and tax deducted at source	(7,574,529)		(6,528,608)
Net cash used in operating activities	(611,199)		(17,770,030)
B. Cash flow from investing activities			
Purchase of fixed assets	(1,410,351)		(569,885)
Purchase of investments	(6,400,000)		(128,620,500)
Sale of fixed assets	4,057,119		9,905,995
Sale of investments	7,215,606		131,439,871
Interest received	1,553,791		221,021
Net cash from investing activities	5,016,165		12,376,502

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Rs.	For the year 1st July,2004 to 31st March,2005 Rs.	Rs.	For the period 1st July,2003 to 30th June,2004 Rs.
C. Cash flow from financing activities :	-		(17,367)
Net cash used in financing activities	-		(17,367)
Net increase/(Decrease) in cash & cash equivalents (a+b+c)	4,404,966		(5,410,895)
Cash & cash equivalents (Opening)	463,825		5,798,756
Cash & cash equivalents (Closing)	4,868,791		463,825
	4,404,966		(5,334,931)

Note

1 Cash and Cash equivalents includes :

a) Cash on Hand	19,458	11,042
b) Balance with Scheduled Banks in Current Accounts (Excludes unclaimed balance in Dividend Accounts)	4,816,187	449,188
c) Deposits with Scheduled Bank (Excludes deposits pledged with bank)	33,146	3,595

2 In view of current period being 9 months, the figures for current period are not comparable with those of previous year

3 The previous years' figures have been regrouped/rearranged wherever necessary.

As per our attached report of even date

For Lodha & Co.

Chartered Accountants

For and on behalf of the Board of Directors

R.P. Baradiya

Partner

Mumbai,

Dated: 22nd June 2005

Suresh Thakur Desai

Company Secretary

Vijay Talele

Executive Director

A.V.Rajwade

Director



SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2005

	As at 31st March, 2005 Rs.	As at 30th June, 2004 Rs.
SCHEDULE '1'		
SHARE CAPITAL		
AUTHORISED		
30,000,000 (Previous Year 30,000,000)		
Equity Shares of Rs.10 each	<u>300,000,000</u>	<u>300,000,000</u>
ISSUED		
23,190,182 (Previous year 23,190,182)		
Equity Shares of Rs.10 each	<u>231,901,820</u>	<u>231,901,820</u>
SUBSCRIBED AND PAID-UP		
23,185,223 (Previous year 23,185,223)		
Equity Shares of Rs.10 each fully paid.	<u>231,852,230</u>	<u>231,852,230</u>
Of the above :		
i) 12,876,523 (Previous year 12,876,523) Equity Shares of Rs. 10 each were allotted as bonus shares by capitalisation of Securities Premium.		
ii) Allotment of 4,959(Previous year 4,959) bonus shares on 3,967 (Previous year 3,967) Equity shares is pending on account of non-establishment of beneficial ownership by NSDL.		
SCHEDULE '2'		
RESERVES AND SURPLUS		
Securities Premium Account		
Balance as per last Balance Sheet	<u>396,723,085</u>	<u>396,723,085</u>
	<u>396,723,085</u>	<u>396,723,085</u>

SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2005

(Amount in Rs.)

DESCRIPTION	GROSS BLOCK (At Cost)				DEPRECIATION				NET BLOCK	
	As at 01-07-04	Additions during the year	Deductions/ Adjustments	As at 31-03-05	Upto 30-06-04	For the period	On Deductions/	Upto 31-03-05	As at 31-03-05	As at 30-06-04
Goodwill	27,459,842	-	-	27,459,842	27,459,842	-	-	27,459,842	-	-
Leasehold Land	3,308,683	-	-	3,308,683	339,242	37,694	-	376,936	2,931,747	2,969,441
Office Building	71,585,256	-	-	71,585,256	6,681,764	875,130	-	7,556,894	64,028,362	64,903,492
Plant & Machinery and Office Equipment	50,032,630	105,604	-	50,138,234	13,966,176	1,736,276	-	15,702,452	34,435,782	36,066,454
Computers	104,235,955	1,303,647	16,248,811	89,290,791	92,338,681	4,145,078	15,433,093	81,050,666	8,240,125	11,897,274
Furniture & Fixtures	77,122,489	1,100	-	77,123,589	28,950,611	3,604,346	-	32,554,957	44,568,632	48,171,878
Motor Cars	1,530,731	-	481,692	1,049,039	465,031	78,557	236,405	307,183	741,856	1,065,700
Current Year Total	335,275,586	1,410,351	16,730,503	319,955,434	170,201,347	10,477,081	15,669,498	165,008,930	154,946,504	165,074,239
Previous Year Total	335,256,251	569,885	550,550	335,275,586	142,969,540	27,754,827	523,020	170,201,347	165,074,239	



SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2005

	Face Value per unit Rs.	As at 31st March, 2005 Rs.	As at 30th June, 2004
SCHEDULE - 4			
INVESTMENTS			
(Unquoted, unless otherwise stated)			
I Long term Investments			
Shares in Joint Business Venture			
Corliant Inc. USA *	US\$ 0.01	94,120,700	94,120,700
(Refer Note no. 5 in Schedule 14 to the accounts)			
Current year 71,447* (Previous year 1,428,945)			
Shares in Wholly Owned Subsidiaries			
CyberTech Europe S.A.	Euro 1.2395	84,313,700	84,313,700
Current year 1,326,289 (Previous year 1,326,289)			
Less: Provision for Diminution in value of investments			
		(84,313,700)	(84,313,700)
		-	-
CyberTech Systems and Software Inc., USA	US\$ 0.01	72,564,500	72,564,500
Current year 1,585,000 (Previous year 1,585,000)			
Shares in Co-operative Societies			
Acme Plaza Premises Co-operative Society Ltd.	Rs.50	5,500	6,000
Current year 110 (Previous year 120)			
II Current Investments			
Units of Mutual funds			
JM High Liquidity Fund-Growth Option	Rs.10	-	800,000
(During the year purchased 357,410.493 units and sold 402,542.448 units; closing balance Nil and opening balance 45,131,955 units)			
		166,690,700	167,491,200
Aggregate book value of Investments:			
Unquoted		166,690,700	167,491,200
Quoted		-	-
* During the period, Corliant, Inc. had revised its capital structure by removing any Preferred securities. This has resulted in reduction of Company's number of shares in the Joint Venture to 71,447 from 1,428,945 and a further allotment of 925,000 Equity shares at a value of \$925, taking total number of shares to 996,447. This reduced the Company's ownership interest in the JV to 4.50% from 6.88% . All other terms and conditions of the JV remain intact.			

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SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2005

Rs.	As at 31st March, 2005 Rs.	As at 30th June, 2004 Rs.
SCHEDULE '5'		
SUNDRY DEBTORS (Unsecured)		
Considered Good		
Exceeding six months	5,999,084	8,320,698
Others (includes unbilled revenue of Rs. NIL ; Previous year Rs. 5,75,089)	24,617,368	22,837,883
	30,616,452	31,158,581
Considered Doubtful		
Exceeding six months	37,565,834	41,217,167
Less: Provision for Doubtful Debts	37,565,834	41,217,167
	-	-
	30,616,452	31,158,581
SCHEDULE '6'		
CASH AND BANK BALANCES		
Cash on hand	19,458	11,042
Bank Balances		
With Scheduled Banks		
- in Current Accounts	5,723,388	1,351,346
- in Deposit Accounts * (including interest accrued but not due Rs.33,017; Previous year Rs. 3,466) * Refer Note no. 3 in Schedule 14	1,042,017	1,007,466
With Others	4,590	7,189
- in Current Accounts (ANZ Grindlays Bank Ltd, Australia- Maximum balance outstanding during the period Rs.7,189 ; Previous Year Rs.42,575)	-	-
	6,789,453	2,377,043
SCHEDULE '7'		
LOANS AND ADVANCES		
(Unsecured ,Considered good unless otherwise stated)		
Loan to Subsidiary Company (Considered doubtful) [Maximum balance outstanding during the period Rs.12,962,400; Previous year Rs.12,962,400]	12,962,400	12,962,400
Less: Provision for Doubtful Loans & advances	12,962,400	12,962,400
	-	-
Loans to Employees	12,600	22,000
Advances recoverable in cash or in kind or for value to be received	2,849,660	3,742,129
Sundry deposits	704,650	754,650
	3,566,910	4,518,779



SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2005

	As at 31st March, 2005 Rs.	As at 30th June, 2004 Rs.
SCHEDULE '8'		
CURRENT LIABILITIES		
Sundry Creditors		
Small Scale Industrial Units	-	-
(Refer Note no.14 in Schedule 14 to the accounts)		
Others	<u>7,136,028</u>	<u>6,816,576</u>
	7,136,028	6,816,576
Deposits	682,824	682,824
Advance from Customers	1,039,680	1,179,520
Other Liabilities	738,950	776,902
Investors Education and Protection Fund shall be credited by the following amounts namely :		
Unpaid Dividend *	965,500	967,944
*There is no amount due to be credited to the fund and outstanding as at Balance Sheet date.	<u>10,562,982</u>	<u>10,423,766</u>
SCHEDULE '9'		
PROVISIONS		
for taxation	42,185,209	49,759,739
(Net of Payment of Rs.134,884,927;Previous Year Rs.127,499,613)		
for retirement benefits		
- Gratuity	3,349,075	1,426,255
- Leave encashment	1,664,173	1,741,067
	<u>47,198,457</u>	<u>52,927,061</u>
SCHEDULE '10'		
MISCELLANEOUS EXPENDITURE		
(To the extent not written off or adjusted)		
Preliminary Expenses	-	36,696
Public Issue Expenses	521,826	720,876
	<u>521,826</u>	<u>757,572</u>

**SCHEDULES TO PROFIT & LOSS ACCOUNT
FOR THE NINE MONTHS PERIOD ENDED ON 31ST MARCH, 2005**

	For the year 1st July,2004 to 31st March, 2005 Rs.	For the year 1st July,2003 to 30th June, 2004 Rs.
SCHEDULE '11'		
OTHER INCOME		
Gross Interest		
On Deposit With banks (Tax Deducted at source Rs.8,777; Previous year Rs.4,449)	38,328	34,782
On Others	1,515,463	186,238
(Tax Deducted at Source Rs.4,833 ; Previous year Rs.4,264)	1,553,791	221,020
Profit on Sale of Current Investments	15,106	3,146,869
Rent Received (Tax Deducted at Source Rs.1,94,492 ; Previous Year Rs. 2,37,997)	1,012,788	1,602,004
Sundry Credit balances written back	1,736,374	547,761
	<u>4,318,059</u>	<u>5,517,654</u>
SCHEDULE '12'		
EMPLOYEE COSTS		
Salaries	37,285,005	46,052,174
Contribution to Provident and other funds	620,252	451,239
Welfare	1,259,090	1,637,785
	<u>39,164,347</u>	<u>48,141,198</u>
SCHEDULE '13'		
OPERATING AND ADMINISTRATIVE EXPENSES		
Travelling & Conveyance	5,768,878	9,195,649
Communication	1,910,285	2,799,150
Power	3,525,113	4,589,258
Insurance	346,037	377,210
Rent	68,000	123,085
Rates and Taxes	1,603,687	2,156,397
Professional fees	4,156,984	4,638,185
Auditors' Remuneration		
Audit Fees	350,000	375,000
Tax Audit fees	100,000	100,000
Other Services	175,000	143,889
Reimbursement of Expenses (Inclusive of service tax)	137,980	28,339
	762,980	647,228
Repairs and Maintenance		
Buildings	1,103,529	1,077,543
Plant & Machinery	2,121,120	3,034,962
Others	233,680	252,999
	3,458,329	4,365,504
Loss on assets sold/impaired (Net)	300,733	-
Preliminary and Share issue expenses written off	235,746	314,330
Bad Debts Written Off	-	31,200
Loss on sale of Investments	-	26,077
Provision for Doubtful Debts	-	4,475,480
Exchange Loss (Net)	1,722,563	602,376
Miscellaneous Expenses	3,395,673	3,843,464
	<u>27,255,008</u>	<u>38,184,593</u>



SCHEDULE 14

NOTES TO THE ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FORMING PART OF THE ACCOUNTS FOR THE NINE MONTHS PERIOD ENDED ON 31ST MARCH, 2005

1. SIGNIFICANT ACCOUNTING POLICIES:

General:

The financial statements are prepared on the basis of the historical cost convention, in accordance with the applicable accounting standards and on the principles of a going concern. All expenses and income to the extent ascertainable with reasonable certainty are accounted for on an accrual basis.

Revenue Recognition:

Income from software development, customer support services and Consulting s are recognised in accordance with the terms of the contract.

Revenue from fixed price contracts with milestone billings, fixed time frame contracts are recognized as per the proportionate completion method.

Fixed Assets and Depreciation / Amortisation:

Leasehold land is amortised over the balance period of lease since acquisition.

Fixed assets are stated at cost of acquisition less accumulated depreciation.

Depreciation is provided using the straight-line method. The rates and the manner of computation is as specified in Schedule XIV of to the Companies Act, 1956, except in respect of Computers and other related assets which are depreciated over estimated useful life of four years.

The company assesses at each balance sheet date whether there is any indication that any assets may be impaired. If any such indication exists, the carrying value of such assets is reduced to its recoverable amount and the amount of such impairment loss is charged to profit and loss account. If at the balance sheet date, there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and asset is restated to that effect.

Goodwill:

Goodwill arising on purchase of business by the Company (representing the cost of business acquisition in excess of the fair value assigned to the net tangible assets acquired) is amortised over a period of five years from the date of acquisition.

Investments:

Long-term investments are valued at cost. However, provision for diminution in the value of such investments other than temporary made to recognize a decline on individual investment basis. Current investments are stated at the lower of cost and fair value.

Foreign Currency Transactions:

Transactions in foreign currency are accounted at the exchange rates prevailing on the date of the transaction. Gains and losses arising out of subsequent fluctuations are accounted for on actual payment / realisation. Gains / losses, if any, at the year end on account of restatement of the current assets and current liabilities, are dealt with in the profit and loss account.

Foreign branch accounts are converted by applying average monthly rate for revenue items and year-end closing rate for all monetary items, except for fixed assets, which are converted using the rates on the date of transaction. The resulting exchange gain / loss are is dealt with in the profit and loss account.

Retirement Benefits:

Contributions to defined contribution schemes such as of Provident fund Fund and Family Pension Fund are made to appropriate authorities and are charged to profit and loss account as incurred. Provision for gratuity is made on the basis of actuarial valuation obtained at the end of the year. The Company also provides for unutilised leave benefits on retirement available to its employees on the basis of an actuarial valuation obtained at the year end.

Miscellaneous Expenditure:

Preliminary expenses and public issue expenses are amortised over a period of 10 years.

Taxation:

Provision for current year tax is made on the basis of the estimated taxable income for the current accounting year in accordance with the Income tax Act, 1961. The deferred tax for timing difference is accounted for, based on the tax rules and laws that have been substantively enacted as of the Balance Sheet date. Deferred tax assets arising out from the timing differences are recognized to the extent there is reasonable/virtual certainty that these would be realized in future.

Provisions, contingent liabilities and contingent assets:

A provision is made based on reliable estimate when it is possible that an outflow of resources embodying economic benefit will be required to settle an obligation. Contingent liabilities, unless the possibility of outflow of resources embodying economic benefit is remote, are disclosed by way of notes to accounts. Contingent assets are not recognized or disclosed in the financial statement.

NOTES ON ACCOUNTS:

2. Contingent Liabilities not provided for in respect of:
 - a) Municipal Taxes for office premises at Andheri – amount unascertainable.
 - b) Disputed Income Tax Matters (including interest thereon till the date of demand): Rs.26,751,759; (Previous Year Rs. Rs.24,839,955) .
3. Guarantees provided by bank favouring Customs Authorities and Sales Tax Authorities against which fixed deposit receipts of the equivalent amount are pledged with the Bank : Rs.1,008,871 (Previous Year Rs. 1,003,871) .
4. Employees' Stock Option Plan :

The Company's Employees' Stock Option Scheme- 2000, provides for issue of equity option in each financial year up to 5% (Previous year 5%) of the outstanding fully paid-up equity capital of the Company to eligible employees, and the carry forward of un-allotted options in each of the financial years to the subsequent financial years for grant, in aggregate not exceeding 4,634,950 shares (Previous year 4,634,950 shares). The scheme covers directors and the employees of the subsidiaries, apart from the employees and directors of the Company except directors/ employees belonging to promoter group. The options vest in a phased manner over four years with 25% of the grants vesting at the end of each year from the date of grant and the same can be exercised within seven years from the date of the grant at the market price as on the date of the grant. The number of options (one option equal to one equity share) outstanding as on March 31, 2005 were 704,920 (Previous year 207,920)[including for directors 142,280 and Executive Director 75,000 (Previous year 84,080 and Executive Director NIL)] including outstanding options vested 114,930 (Previous year 99,660) [including for directors 57,000 (Previous year 42,980)]. During the year, NIL (Previous year NIL) options out of the vested options were exercised by the grantees (Directors).
5. The Company made a long-term strategic investment of Rs. 94,120,700 in the shares of Corliant Inc. USA, an associate company, in May, 2001. The present value of Equity Shares of the investee company is below its book value. However, since March 2003, Corliant has shown growth and has been consistently making profits. This investment has been made in connection with a joint business venture with the investee Company, the agreement wherein states that Corliant Inc. would provide to the Company a minimum committed revenue of USD 3.60 million over a period of 60 months. In the event Corliant Inc. is not able to generate the above mentioned revenue, the Company shall have the option to receive the same as one time payment after deducting therefrom the revenues already received during the term of the agreement .In view of the above, no provision is considered necessary in the circumstances.
6. Sundry debtors considered good, include an amount of Rs.5,712,960 (Previous year Rs. 8,320,699). [net of provision of Rs.8,533,461 (Previous year Rs. 8,533,461)] which is due from an overseas customer. The Company has been recovering the money as per the revised schedule and is confident of recovering the balance receivables atleast to the extent of amount carried in the books.
7.
 - a) The matter, relating to assessment years 1997-98 to 1999-2000 have been adjudicated by the ITAT, whereby the Company's objections have been overruled. The Company has reworked the tax demands in the light of the said ITAT Order and on the basis of such calculation the company is of the opinion that the existing Tax provision is sufficient to meet the expected liability and hence no additional provision for Tax or interest thereof is required to be made. Further, the Company is in the process of filing appeal against the said ITAT Order at the appropriate forum.
 - b) As a matter of prudence, the Company has not recognized the net Deferred Tax Asset arising on account of unabsorbed losses and depreciation for the current period and also for the earlier years.
8. Unpaid Dividend accounts amounting to Rs. 965,500 (Previous Year Rs. 967,944) are subject to reconciliation with Registrar and Transfer Agent of the Company.



9. As per the requirement of AS-27 on Financial Reporting of Interest in Joint Ventures (JV), the details of the Company's interest in its Joint Venture (Corliant Inc, USA), having Joint Control, is as under:

Amount in Rupees

	Particulars	Current Year	Previous Year
	% Share Held	4.50%	6.88%
a.	Assets 6,170,390	8,270,913	
b.	Liabilities	8,594,142	13,899,605
c.	Income 20,185,459	34,651,579	
d.	Expenses	19,038,377	29,251,532

The above figures are unaudited as Joint Venture follows a different financial year- end. During the period, Corliant, Inc., as a part of a plan recapitalization, revised its capital structure removing preferred securities. This resulted in the Company's ownership interest in the JV reducing to 4.50% (Previous year 6.88%) and the same has been considered for the purpose of consolidation. All other terms and conditions of the JV remain intact.

10. Segment Reporting:

Pursuant to Accounting Standard 17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India, the Company has only one reportable segment viz. Software Services & Development during the period.

11. Earnings Per Share

	For the year 1 st July, 2004 to 31 st March, 2005 Rs.	For the year 1 st July, 2003 to 30 th June, 2004 Rs..
Loss attributable to the Shareholders	5,953,026	45,400,646
Weighted average number of Equity Shares outstanding during the year (Nos.)	23,190,182	23,190,182
Nominal Value of Equity Shares (Rs.)	10	10
Basic and Diluted Earnings Per Share (Rs.) (Not annualized)	(0.26)	(1.96)

12. Disclosure in respect of Related Party pursuant to Accounting Standard 18 are as under:

A. List of Related Parties:

i) Parties where control exists:

Wholly Owned Subsidiaries

- a) CyberTech Systems and Software Inc. USA (CSSI)
- b) CyberTech Europe S.A. (CTE)
Subsidiaries of (b) above
 - (i) CyberTech Information Services BVBA
 - (ii) CyberTech Information Services UK Ltd.
 - (iii) Cyber Information Services SARL

ii) Other Parties with whom the Company has entered into transactions during the year:

1. **Joint Ventures:**

Corliant Inc., USA

2. **Associates :**

CyberTech Systems Inc. USA (CSI)

Corliant Japan, K.K. (CJP)

3. **Key Management Personnel**

Vijay Talele-Executive Director

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B. Transactions entered with Related Parties in the ordinary course of business

(Amount in Rupees)

Particulars	Related Party Transactions				
	CSSI	Corliant Inc.	CSI & Corliant K.K. Japan	Executive Director	Total
Sales	45,751,489 (19,778,504)	14,737,243 (25,046,378)	917,226 (10,425,740)	- (-)	61,405,958 (55,250,622)
Expenses	- (-)	- (-)	- (-)	#2,181,000 #(1,684,725)	2,181,000 (1,684,725)
Outstanding as at the year end Receivable (Net of provisions)	18,079,441 (10,863,621)	4,203,239 (8,827,277)	776,616 (-)	- (-)	23,059,296 (19,690,898)
Advances (Net of provisions)	- (-)	- (-)	- (-)	- (-)	- (-)
Investment (Net of provisions)	72,564,500 (72,564,500)	94,120,700 (94,120,700)	- (-)	- (-)	250,998,900 (250,998,900)

Remuneration

Note:

- i) Related party relationship is as identified by the Company and relied upon by the Auditors.
- ii) No amounts have been written off /back and provided for in respect of the related party.
- iii) Figures in brackets represent Previous Year's figures.

13. Operating Leases:

- i) Rent received by giving part of the office premises on operating lease amounted to Rs. 785,988 (Previous Year Rs. 979,704).
- ii) Depreciation on assets used for the operating lease amounted to Rs.71,433 (Previous Year Rs. 95,244).
- iii) Future lease rentals receivable within a period of 1 year amounted to Rs.1,082,414(Previous Year Rs. 873,320).
- iv) Interest free deposit received against lease rentals Rs. 682,824 (Previous year Rs.682,824).

14. The information regarding small-scale industrial undertakings has been determined to the extent that such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

	For the period 1 st July, 2004 to 31 st March, 2005 Rs.	For the year 1 st July, 2003 to 30 th June, 2004 Rs.
(A) Directors' remuneration:		
(a) Executive Director*		
Salary	1,440,000	1,308,267
Contribution to Provident fund	172,800	115,200
Perquisites (Evaluated as per Income Tax Rules, where necessary)	568,200	261,258
(b) Other Directors		
Sitting fees	255,000	215,000
	2,436,000	1,899,725

* Remuneration excludes provisions for gratuity and leave encashment, which are based on actuarial valuations done on an overall basis.

(B) In view of the losses, no commission is payable to Directors and hence, computation of net profit in accordance with Section 349 of the Companies Act, 1956 has not been given.



16. Additional Information under Part II of Schedule VI of the Companies Act, 1956

- A. The services rendered by the company Company cannot be expressed in any generic unit and hence it is not possible to give the quantitative details of sales.

		For the period 1st July, 2004 to 31st March, 2005 Rs.	For the year 1 st July, 2003 to 30 th June, 2004 Rs.
B.	CIF value of imports: Capital goods	50,672	-
C.	Expenditure in foreign currency: Travel expenses (Net) Others	3,992,393 23,017	8,832,640 213,727
D.	Earnings in foreign exchange: Income from Operations – Overseas	66,625,351	65,821,550

17. Interest free loans given to employees of the Company and outstanding as at the year-end Rs.12,600 (Previous year Rs. 22,000) have been given in the ordinary course of Company's business. Maximum balance due at any time during the year was Rs.22,000 (Previous Year Rs 24,000). These employees do not hold any equity share of the Company.
18. The Company has changed its financial year from 30th June to 31st March. The current period figures are for 9 months. Hence, these figures are not comparable with those of the previous year comprising of 12 months.
19. Previous year's figures have been re-grouped/re-arranged, wherever necessary, to conform to the current period's classification/presentation.

For and on behalf of the Board of Directors

Suresh Thakur Desai
Company Secretary

Vijay Talele
Executive Director

A.V.Rajwade
Director

Mumbai,
Dated: 22nd June 2005

10th Annual Report 2004 - 2005

Additional information pursuant to Part IV of Schedule VI of the Companies Act, 1956

Balance Sheet Abstract and Company's general business profile :

I Registration Details

Registration

8	4	7	8	8
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 State Code

1	1
---	---

Balance sheet Date

3	1	0	3	0	5
---	---	---	---	---	---

II Capital raised during the year (Amount in Rs. Thousands)

Bonus Issue/ESOP

			N	I	L
--	--	--	---	---	---

III Position of Mobilisation and deployment of Funds

(Amount in Rs. Thousands)

Total Liabilities	Total Assets												
<table border="1"><tr><td>6</td><td>2</td><td>8</td><td>5</td><td>7</td><td>5</td></tr></table>	6	2	8	5	7	5	<table border="1"><tr><td>6</td><td>2</td><td>8</td><td>5</td><td>7</td><td>5</td></tr></table>	6	2	8	5	7	5
6	2	8	5	7	5								
6	2	8	5	7	5								
Equity Share Capital	Reserves and Surplus												
<table border="1"><tr><td>2</td><td>3</td><td>1</td><td>8</td><td>5</td><td>2</td></tr></table>	2	3	1	8	5	2	<table border="1"><tr><td>3</td><td>9</td><td>6</td><td>7</td><td>2</td><td>3</td></tr></table>	3	9	6	7	2	3
2	3	1	8	5	2								
3	9	6	7	2	3								
Secured loans													
<table border="1"><tr><td></td><td></td><td></td><td>N</td><td>I</td><td>L</td></tr></table>				N	I	L							
			N	I	L								

Application of Funds

Net Fixed Assets & Assets held for disposal	Investments												
<table border="1"><tr><td>1</td><td>9</td><td>2</td><td>3</td><td>5</td><td>6</td></tr></table>	1	9	2	3	5	6	<table border="1"><tr><td>1</td><td>6</td><td>6</td><td>6</td><td>9</td><td>0</td></tr></table>	1	6	6	6	9	0
1	9	2	3	5	6								
1	6	6	6	9	0								
Net Current Assets	Miscellaneous Expenditure												
<table border="1"><tr><td>-</td><td>1</td><td>6</td><td>7</td><td>8</td><td>9</td></tr></table>	-	1	6	7	8	9	<table border="1"><tr><td></td><td></td><td></td><td>5</td><td>2</td><td>2</td></tr></table>				5	2	2
-	1	6	7	8	9								
			5	2	2								
Accumulated Losses													
<table border="1"><tr><td>2</td><td>8</td><td>5</td><td>7</td><td>9</td><td>6</td></tr></table>	2	8	5	7	9	6							
2	8	5	7	9	6								

IV Performance of the Company (Amounts in Rs. Thousands)

Turnover (Income from operations and Other Income)	Total Expenditure												
<table border="1"><tr><td></td><td>7</td><td>0</td><td>9</td><td>4</td><td>3</td></tr></table>		7	0	9	4	3	<table border="1"><tr><td></td><td>7</td><td>6</td><td>8</td><td>9</td><td>6</td></tr></table>		7	6	8	9	6
	7	0	9	4	3								
	7	6	8	9	6								
Profit (+) / Loss (-) before Tax	Profit (+) / Loss (-) after Tax												
<table border="1"><tr><td></td><td>-</td><td>5</td><td>9</td><td>5</td><td>3</td></tr></table>		-	5	9	5	3	<table border="1"><tr><td></td><td>-</td><td>5</td><td>9</td><td>5</td><td>3</td></tr></table>		-	5	9	5	3
	-	5	9	5	3								
	-	5	9	5	3								
Earning Per Share in Rs.	Dividend Rate %												
<table border="1"><tr><td></td><td>-</td><td>0</td><td>.</td><td>2</td><td>6</td></tr></table>		-	0	.	2	6	<table border="1"><tr><td></td><td></td><td></td><td>N</td><td>I</td><td>L</td></tr></table>				N	I	L
	-	0	.	2	6								
			N	I	L								

V Generic Name of the Principal Products/Services of the Company (as per monetary terms)

Item Code No. (ITCcode)

8	4	7	1	2	0
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Product Description

S	O	F	T	W	A	R	E
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For and on behalf of the Board of Directors

Suresh Thakur Desai
Company Secretary

Vijay Talele
Executive Director

A.V.Rajwade
Director

Mumbai,
Dated: 22nd June 2005



AUDITORS' REPORT

To the Board of Directors,
CyberTech Systems and Software Limited

- 1 We have audited the attached Consolidated Balance Sheet of **CyberTech Systems and Software Limited** and its subsidiaries and Joint ventures as at 31st March, 2005, the Consolidated Profit & Loss Account and also the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the CyberTech Systems And Software Limited's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 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 statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3 We did not audit the financial statements of the joint venture, whose financial statements reflect total assets of Rs.6,170,390 and total revenue Rs.20,176,640 for the year then ended. These financial statements are unaudited and have been furnished to us by the Management and our opinion, insofar as it relates to the amounts included in respect of the joint venture is based solely on the certified financial statements.
- 4 The Company has not consolidated the accounts of Cybertech Europe S.A., the subsidiary Company, and Cybertech Information Services BVBA, CyberTech Information Services UK Ltd and Cyber Information Services SARL, subsidiaries of CyberTech Europe S.A. (the subsidiary of the Company) in these accounts for the reason mentioned in note no 2(e) in Schedule 16.
- 5 We report that *subject to what is stated in para 4 above*, the consolidated financial statements have been prepared by the Company in accordance with the requirements of the Accounting Standards (AS) 21 Consolidated Financial Statements and (AS) 27 Financial Reporting of Interests in Joint Ventures issued by the Institute of Chartered Accountants of India.
- 6 Based on our audit and to the best of our information and according to the explanations given to us, we are of the opinion that the attached Consolidated financial statements read together with Note no. 7 regarding long overdue debt amounting to Rs. 5,712,960 and other notes appearing in Schedule 16, give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Cybertech System and Software Limited and its Subsidiaries and the Joint Venture as at 31st March, 2005;
 - b) in the case of the Consolidated Profit and Loss Account, of the consolidated results for the year ended on that date; and
 - c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For **LODHA & COMPANY**
Chartered Accountants

R.P.BARADIYA
Partner
Membership No:44101

Place: Mumbai;
Dated:

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CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2005

	Schedules	CSSL & Subsidiary Rs.	Joint Venture Rs.	Consolidated 31-Mar-05 Rs.	Consolidated 30-Jun-04 Rs.
SOURCES OF FUNDS					
SHAREHOLDERS' FUNDS					
Share Capital	1	231,852,230	94,120,700	231,852,230	231,852,230
Reserves & Surplus	2	396,723,085	-	396,723,085	396,723,085
		<u>628,575,315</u>	<u>94,120,700</u>	<u>628,575,315</u>	<u>628,575,315</u>
LOAN FUNDS					
Secured Loans	3	-	10,831	10,831	160,135
Unsecured Loans	4	-	5,907,600	5,907,600	9,512,976
		<u>628,575,315</u>	<u>100,039,131</u>	<u>634,493,746</u>	<u>638,248,426</u>
APPLICATION OF FUNDS					
GOODWILL ON CONSOLIDATION		-	95,907,893	95,907,893	95,907,893
FIXED ASSETS					
Gross Block	5	367,874,282	1,638,289	369,512,571	384,295,097
Less: Depreciation		<u>175,834,776</u>	<u>1,506,729</u>	<u>177,341,505</u>	<u>177,676,602</u>
Net Block		192,039,506	131,560	192,171,066	206,618,495
ASSETS HELD FOR DISPOSAL		37,409,333	-	37,409,333	40,706,178
INVESTMENTS	6	94,126,200	-	5,500	806,000
DEFERRED TAX ASSET		1,456,989	-	1,456,989	-
CURRENT ASSETS, LOANS & ADVANCES					
Sundry Debtors	7	118,435,875	4,196,668	122,408,450	122,999,555
Cash and Bank Balances	8	34,080,149	1,527,063	35,607,212	43,428,394
Loans and Advances	9	7,328,205	315,099	7,643,304	9,938,825
		<u>159,844,229</u>	<u>6,038,830</u>	<u>165,658,966</u>	<u>176,366,774</u>
Less: CURRENT LIABILITIES & PROVISIONS					
Current Liabilities	10	84,145,706	2,675,711	86,597,324	97,502,159
Provisions	11	46,351,482	-	46,351,482	58,573,086
		<u>130,497,188</u>	<u>2,675,711</u>	<u>132,948,806</u>	<u>156,075,245</u>
NET CURRENT ASSETS / (LIABILITIES)		29,347,041	3,363,119	32,710,160	20,291,529
MISCELLANEOUS EXPENDITURE	12	521,826	-	521,826	757,572
(To the extent not written off or adjusted)					
PROFIT AND LOSS ACCOUNT-LOSS		273,674,420	636,559	274,310,979	273,160,759
		<u>628,575,315</u>	<u>100,039,131</u>	<u>634,493,746</u>	<u>638,248,426</u>

Significant Accounting Policies and Notes to the Accounts

16

Schedules referred to above form an integral part of the Financial Statements

As per our attached report of even date

For Lodha & Co.

Chartered Accountants

For and on behalf of the Board of Directors

R.P. Baradiya
Partner

Suresh Thakur Desai
Company Secretary

Vijay Talele
Executive Director

A.V.Rajwade
Director

Mumbai

Dated : 22nd June, 2005



CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR NINE MONTHS PERIOD ENDED 31ST MARCH, 2005

	Schedules	CSSL & Subsidiary Rs.	Joint Venture Rs.	Consolidated 31-Mar-05 Rs. (9 months)	Consolidated 30-Jun-04 Rs. (12 months)
INCOME					
Income from:					
Software Services and Development		387,039,285	19,845,277	406,180,111	398,850,163
Sale of Traded Goods		-	331,363	331,363	3,096,433
		387,039,285	20,176,640	406,511,474	401,946,596
Other Income	13	4,608,197	8,819	4,617,016	5,870,092
		391,647,482	20,185,459	411,128,490	407,816,688
EXPENDITURE					
Cost of Traded Goods		-	325,789	325,789	2,571,658
Employee costs	14	203,975,364	13,131,194	216,402,107	275,102,689
Operating and Administrative expenses	15	166,490,279	5,285,214	171,775,493	120,677,319
Interest		-	8,485	8,485	52,141
Depreciation		15,976,381	176,390	16,152,771	33,653,887
Exchange Loss/ (Gain)		4,055,454	-	4,055,454	(118,099)
		390,497,478	18,927,072	408,720,099	431,939,595
Profit / (Loss) before tax and exceptional items		1,150,004	1,258,387	2,408,391	(24,122,907)
Exceptional items:					
Write back of Debt not payable		-	-	-	4,996,531
Profit / (Loss) before taxation		1,150,004	1,258,387	2,408,391	(19,126,376)
Provision for tax (Including interest on tax for earlier years)		6,996,114	111,305	7,107,419	10,350,933
Deferred Tax (Asset)/ Liabilities		(1,490,950)	-	(1,490,950)	-
Profit / (Loss) for the year		(4,355,160)	1,147,082	(3,208,078)	(29,477,309)
Balance of Profit/ (Loss) Brought Forward		(269,319,260)	(1,783,641)	(271,102,901)	243,683,450)
Balance of Profit/ (Loss) Carried Forward		(273,674,420)	(636,559)	(274,310,979)	273,160,759)
Earnings per share- Basic and Diluted				(0.14)	(1.27)

Significant Accounting Policies and
Notes to the Accounts

16

Schedules referred to above form an integral part of the Financial Statements

As per our attached report of even date

For Lodha & Co.

Chartered Accountants

For and on behalf of the Board of Directors

R.P. Baradiya

Partner

Mumbai

Dated : 22nd June, 2005

Suresh Thakur Desai

Company Secretary

Vijay Talele

Executive Director

A.V.Rajwade

Director

SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

	CSSL & Subsidiary 31-Mar-05	Joint Venture 31-Mar-05	Consolidated Rs. 31-Mar-05	Consolidated Rs. 30-Jun-04
SCHEDULE '1'				
SHARE CAPITAL				
AUTHORISED				
30,000,000 Equity shares of Rs. 10 each	300,000,000	-	300,000,000	300,000,000
ISSUED				
23,190,182 Equity shares of Rs.10 each fully paid.	231,901,820	94,120,700	231,901,820	231,901,820
SUBSCRIBED AND PAID-UP				
23,185,223 Equity shares of Rs.10 each fully paid.	231,852,230	94,120,700	231,852,230	231,852,230
SCHEDULE '2'				
RESERVES AND SURPLUS				
Securities Premium Account				
Balance as per last Balance Sheet	396,723,085	-	396,723,085	396,723,085
	396,723,085	-	396,723,085	396,723,085
SCHEDULE '3'				
SECURED LOANS				
Loan from Institutions Secured against Receivable	-	10,831	10,831	160,135
	-	10,831	10,831	160,135
SCHEDULE '4'				
UNSECURED LOANS				
From Companies	-	5,907,600	5,907,600	9,512,976
	-	5,907,600	5,907,600	9,512,976



SCHEDULES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE ' 5 ' FIXED ASSETS

(Amount in Rs.)

DESCRIPTION	GROSS BLOCK (At Cost)				DEPRECIATION				NET BLOCK	
	As at `01-07-04	Additions during the period	Deductions/ Adjustments	As at 31-03-05	Upto 30-06-04	For the period	On Deductions/ Adjustments	Upto 31-03-05	As at 31-03-05	As at 30-06-04
Goodwill	63,179,592	-	-	63,179,592	30,138,823	2,602,838	-	32,741,661	30,437,931	33,040,769
Leasehold Land	3,308,683	-	-	3,308,683	339,242	37,694	-	376,936	2,931,747	2,969,441
Office Building	71,585,256	-	-	71,585,256	6,681,764	875,130	-	7,556,894	64,028,362	64,903,492
Plant & Machinery and Office Equipment	50,032,630	105,604	-	50,138,234	13,966,176	1,736,276	-	15,702,452	34,435,782	36,066,454
Computers	112,887,988	2,790,029	17,182,889	98,495,128	95,970,120	6,096,795	16,246,691	85,820,224	12,674,904	16,917,868
Furniture & Fixtures	81,770,217	1,100	14,678	81,756,639	30,115,446	4,725,481	4,772	34,836,155	46,920,484	51,654,771
Motor Cars	1,530,731	-	481,692	1,049,039	465,031	78,557	236,405	307,183	741,856	1,065,700
Current Year Total	384,295,097	2,896,733	17,679,259	369,512,571	177,676,602	16,152,771	16,487,868	177,341,505	192,171,066	206,618,495
Previous Year Total	369,377,342	14,917,755		384,295,097	174,409,723	3,266,879		177,676,602	206,618,495	194,967,619

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SCHEDULE '6'						
	As at 31th March, 2005			As at 30th June, 2004		
	CSSL & Subsidiary	Joint Venture	Consolidated Rs.	CSSL & Subsidiary	Joint Venture	Consolidated Rs.
INVESTMENTS						
Mutual funds	-	-	-	800,000	-	800,000
Shares in Co-operative Society	5,500	-	5,500	6,000	-	6,000
Investment in Subsidiary	72,564,500	-	72,564,500	72,564,500	-	72,564,500
Less: consolidation Elimination	72,564,500	-	72,564,500	72,564,500	-	72,564,500
	<u>5,500</u>	<u>-</u>	<u>5,500</u>	<u>806,000</u>	<u>-</u>	<u>806,000</u>
Shares in Joint Business Venture						
Corliant Inc. USA	94,120,700	-	94,120,700	94,120,700	-	94,120,700
Less: Consolidation elimination			94,120,700			94,120,700
			<u>-</u>			<u>-</u>
	<u>94,126,200</u>	<u>-</u>	<u>5,500</u>	<u>94,926,700</u>	<u>-</u>	<u>806,000</u>
	<u><u>94,126,200</u></u>	<u><u>-</u></u>	<u><u>5,500</u></u>	<u><u>94,926,700</u></u>	<u><u>-</u></u>	<u><u>806,000</u></u>
			CSSL & Subsidiary 31-Mar-05	Joint Venture 31-Mar-05	Consolidated Rs. 31-Mar-05	Consolidated Rs. 30-Jun-04
SCHEDULE '7'						
SUNDRY DEBTORS (Unsecured)						
Considered Good						
Exceeding six months	11,034,565	-	11,034,565			13,404,348
Others	107,401,310	4,196,668	111,373,885			109,595,207
	<u>118,435,875</u>	<u>4,196,668</u>	<u>122,408,450</u>			<u>122,999,555</u>
Considered Doubtful						
Exceeding six months	37,565,834	-	37,565,834			41,654,520
Others	-	272,977	272,977			-
	<u>37,565,834</u>	<u>272,977</u>	<u>37,838,811</u>			<u>41,654,520</u>
Less: Provision for Doubtful Debts	37,565,834	272,977	37,838,811			41,654,520
	<u>118,435,875</u>	<u>4,196,668</u>	<u>122,408,450</u>			<u>122,999,555</u>
	<u><u>118,435,875</u></u>	<u><u>4,196,668</u></u>	<u><u>122,408,450</u></u>			<u><u>122,999,555</u></u>



	CSSL & Subsidiary 31-Mar-05	Joint Venture 31-Mar-05	Consolidated Rs. 31-Mar-05	Consolidated Rs. 30-Jun-04
SCHEDULE '8'				
CASH AND BANK BALANCES				
Cash on hand	19,458	-	19,458	11,042
Bank Balances				
With Scheduled Banks :				
- in Current Accounts	8,201,918	1,527,063	9,728,981	13,424,347
- in Deposits Account *	25,854,183	-	25,854,183	29,985,816
(including interest accrued but not due Rs.33,017; Previous year Rs. 3,466)				
Refer note no. 5 in Schedule 16				
With Others				
- in Current Accounts	4,590	-	4,590	7,189
	<u>34,080,149</u>	<u>1,527,063</u>	<u>35,607,212</u>	<u>43,428,394</u>
SCHEDULE '9'				
LOANS AND ADVANCES				
(Unsecured ,Considered good unless otherwise stated)				
Advances recoverable in cash or in kind or for value to be received	5,909,511	180,387	6,089,898	8,244,038
Loans to Employees	12,600	67,096	79,696	147,825
Sundry deposits	1,406,094	67,616	1,473,710	1,546,962
	<u>7,328,205</u>	<u>315,099</u>	<u>7,643,304</u>	<u>9,938,825</u>
SCHEDULE '10'				
CURRENT LIABILITIES				
Sundry Creditors	67,918,650	2,397,556	70,092,113	84,549,725
Deposits	682,824	-	682,824	682,824
Advance from Customers	1,039,680	-	1,039,680	1,179,520
Other Liabilities	11,850,047	278,155	12,128,202	10,122,146
Book Overdraft	1,689,005	-	1,689,005	-
Investors Education and Protection fund shall be credited by the following amounts namely :				
Unpaid Dividend *	965,500	-	965,500	967,944
*(There is no amount due and outstanding as at Balance Sheet date)				
	<u>84,145,706</u>	<u>2,675,711</u>	<u>86,597,324</u>	<u>97,502,159</u>

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	CSSL & Subsidiary 31-Mar-05	Joint Venture 31-Mar-05	Consolidated Rs. 31-Mar-05	Consolidated Rs. 30-Jun-04
SCHEDULE '11'				
PROVISIONS				
for taxation (Net of Payment of Rs.148,369,571; Previous Year Rs.128,497,010)	41,338,234	-	41,338,234	55,405,764
for retirement benefits	-	-	-	
- Gratuity	3,349,075	-	3,349,075	1,426,255
- Leave encashment	1,664,173	-	1,664,173	1,741,067
	<u>46,351,482</u>	<u>-</u>	<u>46,351,482</u>	<u>58,573,086</u>
SCHEDULE '12'				
MISCELLANEOUS EXPENDITURE				
(To the extent not written off or adjusted)				
Preliminary Expenses	-	-	-	36,696
Public Issue Expenses	521,826	-	521,826	720,876
	<u>521,826</u>	<u>-</u>	<u>521,826</u>	<u>757,572</u>
SCHEDULE '13'				
OTHER INCOME				
Gross Interest				
On Deposit with Banks (Tax Deducted at Source Rs.8,777; previous year Rs.4,449)	328,466	-	328,466	355,919
On Others	1,515,463	-	1,515,463	186,238
	<u>1,843,929</u>	<u>-</u>	<u>1,843,929</u>	<u>542,157</u>
Profit on sale of Current Investments	15,106	-	15,106	3,146,869
Rent Received (Tax Deducted at Source Rs. 1,94,492; previous year Rs. 2,37,997)	1,012,788	8,819	1,021,607	1,633,305
Excess provision written back	1,736,374	-	1,736,374	547,761
	<u>4,608,197</u>	<u>8,819</u>	<u>4,617,016</u>	<u>5,870,092</u>
SCHEDULE '14'				
EMPLOYEE COSTS				
Salaries	199,902,112	13,090,423	212,288,084	264,425,559
Contribution to Provident and other funds	620,252	-	620,252	451,239
Welfare	3,453,000	40,771	3,493,771	10,225,891
	<u>203,975,364</u>	<u>13,131,194</u>	<u>216,402,107</u>	<u>275,102,689</u>



	CSSL & Subsidiary 31-Mar-05	Joint Venture 31-Mar-05	Consolidated Rs. 31-Mar-05	Consolidated Rs. 30-Jun-04
SCHEDULE '15'				
OPERATING AND ADMINISTRATIVE EXPENSES				
Travelling & conveyance	17,194,802	1,046,795	18,241,597	17,967,498
Communication	4,057,962	147,956	4,205,918	5,415,230
Power	3,772,334	25,476	3,797,810	4,838,526
Insurance	2,123,266	68,801	2,192,067	2,355,514
Rent	3,648,181	307,686	3,955,867	4,550,602
Rates and Taxes	1,603,687	-	1,603,687	2,924,982
Professional fees	117,686,222	2,820,267	120,506,489	59,253,397
Commission	1,537,783	556,934	2,094,717	1,168,157
Auditors' Remuneration				
Audit Fees	573,900	-	573,900	375,000
Tax Audit fees	100,000	-	100,000	100,000
Other Services	175,000	-	175,000	155,400
Reimbursement of Expenses	137,980	-	137,980	16,828
	986,880	-	986,880	647,228
Repairs and Maintenance				
Buildings	1,103,529	-	1,103,529	2,117,877
Plant & Machinery	5,034,304	17,525	5,051,829	6,504,991
Others	2,160,202	14,897	2,175,099	1,326,736
	8,298,035	32,422	8,330,457	9,949,604
Loss on assets sold/discarded (Net)	300,733	-	300,733	-
Preliminary and Share issue expenses written off	235,746	-	235,746	314,330
Baddebts written off	-	60,454	60,454	128,174
Provision for doubtful debts	-	-	-	4,475,480
Loss on sale of Investments	-	-	-	26,077
Miscellaneous expenses	5,044,648	218,423	5,263,071	6,662,520
	4166,490,279	5,285,214	171,775,493	120,677,319

SCHEDULE '16'

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 31ST MARCH, 2005

1. Basis of preparation:

The Consolidated Financial Statements are prepared in accordance with Accounting Standard 21 "Consolidated Financial Statements" and Accounting Standard 27 "Financial Reporting of interests in Joint Ventures" issued by the Institute of Chartered Accountants of India.

2. Principles of Consolidation:

(a) The Consolidated Financial Statements (CFS) comprise the financial statements of the holding Company, CyberTech Systems & Software Limited and its subsidiary, CyberTech Systems & Software Inc., USA and its interest in its Joint Venture, Corliant Inc., as on 31.03.2005, which are as under:

(I) Subsidiaries: Name of the Company	Country of Incorporation	Proportion of ownership interest
CyberTech Systems & Software Inc. (CSSI)	U.S.A.	100.00 %
(II) Joint Ventures: Name of the Company	Country of Incorporation	Proportion of ownership interest
Corliant, Inc.	U.S.A.	4.50%*

*During the period, Corliant, Inc., as a part of a plan recapitalization, revised its capital structure removing preferred securities. This resulted in the Company's ownership interest in the JV reducing to 4.50% (Previous year 6.88%) and the same has been considered for the purpose of consolidation. All other terms and conditions of the JV remain intact.

- (b) The Consolidated Financial Statements have been prepared using uniform accounting policies, in accordance with the generally accepted accounting policies except for amortization of Goodwill in the Books of its wholly owned subsidiary where the Goodwill has been amortised over a period of 10 years as against the policy adopted by Holding company to amortise Goodwill over a period of 5 years.
- (c) The effects of intra group transactions between CyberTech Systems & Software Limited and its subsidiaries are eliminated in consolidation.
- (d) The unaudited financial statements of the joint venture for the year ended 31st March, 2005 compiled by the management of that company have been considered for consolidated financial statement. Management of Joint Venture company does not expect any material difference affecting the current year's consolidated financial statement.
- (e) The accounts of the subsidiary company namely Cybertech Europe S.A., in which the company has 100% shareholding and incorporated in Europe, and in turn its subsidiaries Cybertech Information Services BVBA, CyberTech Information Services UK Ltd and Cyber Information Services SARL, have not been consolidated as the control is intended to be temporary because the subsidiary is held exclusively with a view to its subsequent disposal in near future.
- (f) For significant accounting policies followed refer Schedule 14 of the Holding Company's audited financial statement.

3. Foreign Subsidiary and Joint Venture:

In case of CyberTech Systems & Software Inc., USA and Corliant Inc., revenue items have been considered at the average rate prevailing during the year. Assets and liabilities have been converted at the rates prevailing at the end of the year. Exchange Gain / (Loss) are recognized in the Profit and Loss Account.

4. Contingent Liabilities not provided for in respect of:

- a) Municipal Taxes for office premises at Andheri: amount unascertainable.
- b) Disputed Income Tax Matters (including interest thereon): Rs. 26,751,759; (Previous Year Rs. Rs.24,839,955) .
5. Guarantees provided by bank favouring Customs Authorities and Sales Tax Authorities against which fixed deposit receipts of the equivalent amount are pledged with the Bank: Rs.1,008,871 (Previous Year Rs. 1,003,871).

6. Employees' Stock Option Plan :

The Company's Employees' Stock Option Scheme- 2000, provides for issue of equity option in each financial year up to



5% (previous year 5%) of the outstanding fully paid-up equity capital of the Company to eligible employees, and the carry forward of un-allotted options in each of the financial years to the subsequent financial years for grant, in aggregate not exceeding 4,634,950 shares. The scheme covers directors and the employees of the subsidiaries, apart from the employees and directors of the Company except directors/ employees belonging to promoter group. The options vest in a phased manner over four years with 25% of the grants vesting at the end of each year from the date of grant and the same can be exercised within seven years from the date of the grant at the market price as on the date of the grant. The number of options (one option equal to one equity share) outstanding as on March 31, 2005 were 704,920 (Previous year 207,920)[including for directors 142,280 and Executive Director 75,000 (previous year 84,080 and Executive Director NIL)] including outstanding options vested 114,930 (Previous year 99,660) [including for directors 57,000 (previous year 42,980)]. During the year, NIL (previous year NIL) options out of the vested options were exercised by the grantees (Directors) and shares were issued by the company against such options.

7. Sundry debtors considered good, include an amount of Rs.5,712,960 (Previous year Rs. 8,320,699), [net of provision of Rs.8,533,461 (Previous year Rs. 8,533,461)] which is due from an overseas customer. The Company has been recovering the money as per the revised schedule and is confident of recovering the balance receivables atleast to the extent of amount carried in the books.
8. a) The matter, relating to assessment years 1997-98 to 1999-2000 have been adjudicated by the ITAT, whereby the Company's objections have been overruled. The Company has reworked the tax demands in the light of the said ITAT Order and on the basis of such calculation the company is of the opinion that the existing Tax provision is sufficient to meet the expected liability and hence no additional provision for Tax or interest thereof is required to be made. Further, the Company is in the process of filing appeal against the said ITAT Order at the appropriate forum.
- b) As a matter of prudence, the Company and its joint venture company have not recognized the Deferred Tax Asset arising on account of unabsorbed losses for the current year and also for the earlier years. However, Company's wholly owned subsidiary (CyberTech Systems & Software Inc) has recognized Deferred Tax Asset of Rs.1,456,989 (Previous year Rs. Nil), arising out from the timing difference i.e. expenses allowable in subsequent years, in its books.
9. Pursuant to Accounting Standard 17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India, the Company has only one reportable segment viz. Software Services & Development during the year.

10. Earnings Per Share:

	For the period 1 st July, 2004 to 31 st March, 2005 Rs.	For the year 1 st July, 2003 to 30 th June, 2004 Rs.
Profit attributable to the Shareholders	(3,208,078)	(29,477,309)
Weighted average number of Equity Shares outstanding during the year (Nos.)	23,190,822	23,190,822
Nominal Value of Equity Shares (Rs.)	10.00	10.00
Basic and Diluted Earnings Per Share (Rs.) (Not annualized)	(0.14)	(1.27)

11. Disclosure in respect of Related Party pursuant to Accounting Standard 18 are as under:

A. List of Related Parties:

- i) Parties where control exists: NIL
ii) Other Parties with whom the Company has entered into transactions during the year:

1. Associates :

CyberTech Systems Inc. USA
Corliant Japan, K.K. (CJP)

2. Key Management Personnel

Vijay Talele
Viswanath Tadimety

Executive Director
CEO-Corliant Inc.& Director – CSSI & CSSL
CyberTech Systems & Software Inc.(CSSI)
CyberTech Systems & Software Limited (CSSL)

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B. Transactions entered with Related Parties in the ordinary course of business

(Amount in Rupees)

Particulars	Related Party Transactions		
	Associates	Key Management Personnel	Total
Sales	917,226 (10,425,740)	- (-)	917,226 (10,425,740)
Expenses	- (-)	#17,835,819 #(2,418,591)	17,835,819 (2,418,591)
Purchase of Business	- (46,090,000)	- (-)	- (46,090,000)
Outstanding as at the year end			
Payable	18,056,908 (36,226,556)	- (-)	18,056,908 (36,226,556)
Receivable	776,616 (-)	- (-)	776,616 (-)

Remuneration

Note:

- i) Related party relationship is as identified by the Company and relied upon by the Auditors.
 - ii) No amounts have been written off /back and provided for in respect of the related party.
 - iii) Figures in brackets represent Previous Year's figures.
12. The Company and its wholly owned subsidiary (CyberTech Systems & Software Inc, USA have changed its financial year from 30th June to 31st March. The current period figures are for 9 months. Hence, these figures are not comparable with those of the previous year comprising of 12 months.
13. Previous year's figures have been re-grouped/re-arranged, wherever necessary, to conform to the current period's classification/presentation.

For and on behalf of the Board of Directors

Suresh Thakur Desai
Company Secretary

Vijay Talele
Executive Director

A.V.Rajwade
Director

Mumbai,
Dated: 22nd June 2005



STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

RELATING TO SUBSIDIARY COMPANIES :

Name of the Subsidiary Company :	CyberTech Systems and Software Inc	CyberTech Europe
The Financial Year of the Subsidiary ended on	31 st March 2005	31 st March 2005
Number of shares in the Subsidiary Company held by CyberTech Systems & Software Ltd.	15,85,000	13,26,289
Equity	USD15,850	Euro 16,43,891
Extent of holding	100%	100%
The net aggregate of Profits/(losses) of the Subsidiary Company for its financial Year So far as they concern the members of the CyberTech Systems & Software Limited :		
1. Dealt with the Accounts of CyberTech Systems & Software Ltd.	Nil	Nil
2. Not dealt with in the Accounts of CyberTech Systems & Software Ltd.	Profit: Rs.9,527,833	Profit: Rs.25,588,789
The net aggregate of profits/(losses) of the Subsidiary Company for its previous financial year so far as they concern the members of CyberTech Systems & Software Ltd.		
1. Dealt with in the Accounts of CyberTech Systems & Software Ltd.	NA	Nil
2. Not dealt with in the Accounts of CyberTech Systems & Software Ltd.	Profit: Rs. 10,035,139/-	Loss: Rs. 87,621,259

For and on behalf of the Board of Directors

Place : Thane
Date : 22nd June, 2005

Suresh Thakur Desai
Company Secretary

Vijay Talele
Executive Director

A. V. Rajwade
Director

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DIRECTORS' REPORT

To the Shareholders of CyberTech Systems and Software, Inc. (USA)

Your Directors have pleasure in presenting this Second Annual Report on the business and operations of your Company together with the Audited Accounts of the Company for the nine months ended 31st March 2005

FINANCIAL RESULTS :

	2004-2005 July 1, 04 to March 31, 05	U.S. Dollars (\$) 2003-2004* *The business operations started on October 1, 2003.
Gross Revenue	8,183,465	7,094,154
Profit/(Loss) before Interest & Depreciation	333,523	482,283
Interest	-	-
Depreciation	122,807	115,568
Profit/(Loss) before tax	210,716	366,715
Provision for tax		
Current Tax	156,233	148,986
Deferred Tax (Asset) /Liabilities	(33,295)	-
Profit/(Loss) after tax	87,778	217,729
Profit b/f from previous year	217,729	-
Amount available for appropriations	305,507	217,729
Appropriations		
Balance to be carried forward	305,507	217,729

REVIEW OF COMPANY'S OPERATIONS AND PERFORMANCE:

Operations of the Company have been seamlessly integrated with the holding Company viz. CyberTech Systems & Software Limited. CSSI operates as CSSL's sales front end, servicing the combined company's customers in the United States and promoting CSSL's offshore support services.

CSSI, during the year under review, has reported a profit after of \$87,778 post Depreciation and Tax and has posted revenue of \$8,183,465 during the year.

The Company focuses on selling and delivering SAP application services including India based offsite support and onsite implementation services, as well as GIS solution deployment and other custom software solutions. The Company has continued its efforts to reduce its cost of delivering its services and has transferred many of its administrative support costs to its offshore parent company resulting in significant cost savings.

FUTURE OUTLOOK:

The Company has noticed some improvement in the general business climate in which it operates. Through a focus on its customer base, renewed company focus on its core strengths and its India delivery model, improved gross margins, and continued cost reductions, it expects to have continued improvement in its results over the near term. The Company will continue to focus on SAP application services, including India based offsite support and onsite implementation services, as well as GIS solution deployment and other custom software solutions.

It has been reported that after several years of corporate IT budget cuts, enterprises are poised to boost their Investment in IT. However companies remain increasingly focused on closely managing discretionary IT spending. Corporations have redirected their IT spending towards upgrading their IT investments and outsourcing their current requirements. There continues to be trends towards offshore IT services that deliver a definitive cost-value benefit.



Your company has consolidated its position as a destination for offshore services in SAP, GIS, and Customized solutions. There are several key factors contributing to potential growth, namely high quality delivery, significant cost benefits, and skilled and trained resources who are updated on technological changes in their respective field of operations. Your company has completed its refocus on its core services during the year under review and believes it is positioned to start to take advantage of spending increases in the industry. Meanwhile, it remains profitable and maintains no debt.

TAXATION:

Your Company expects to pay US income taxes on earned income at the appropriate federal, state and local tax rates.

DIRECTORS:

The Company is governed by its Board of Directors. Currently directors are Mr. Christopher Gaffney, Mr. Harry Gruner and Mr. Viswanath Tadimety.

ACKNOWLEDGEMENT:

Your Directors wish to place on record their appreciation and sincere gratitude to the Company's Clients, Employees, Bankers, and all other business constituents for their valuable assistance and support. The Directors also acknowledge the continued support received from the Parent Company and the confidence reposed by its Management and Directors. The Directors also record their appreciation for the sincere and dedicated services rendered by all the employees of the Company.

For and on behalf of the Board of Directors

Place : Trevose, USA
Date : June 20, 2005

Vish Tadimety
Chairman

AUDITORS' REPORT

To the Shareholders,

CYBERTECH SYSTEMS AND SOFTWARE INC, USA.

- 1) We have audited the attached Balance Sheet of **CYBERTECH SYSTEMS AND SOFTWARE INCORPORATION, USA** as at 31st March, 2005 and also the Profit & Loss Account for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 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 statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) We report that :
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii) In our opinion, proper books of account have been kept by the Company so far as it appears from our examination of those books;
 - iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - iv) The Balance Sheet and Profit and Loss Account dealt with this report comply with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India, to the extent applicable.
 - v) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and Notes on Accounts in Schedule 12, and those appearing elsewhere in the accounts, give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2005; and
 - b) in the case of the Profit and Loss Account, of the Profit of the company for the year ended on that date.

For **LODHA & COMPANY**
Chartered Accountants

Place : Mumbai
Dated : June 20, 2005

N.KISHORE BAFNA
Partner
Membership No : 7642

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BALANCE SHEET AS AT MARCH 31, 2005

	SCHEDULE	As at 31st March, 2005	As at 30th June, 2004
		US DOLLARS	US DOLLARS
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	15,850	15,850
Reserves & Surplus	2	1,874,657	1,786,879
		1,890,507	1,802,729
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	3	1,041,300	1,009,246
Less: Depreciation		238,375	115,568
Net Block		802,925	893,678
DEFERRED TAX ASSET			
		33,295	-
CURRENT ASSETS, LOANS AND ADVANCES			
Sundry Debtors	4	2,419,992	2,104,661
Cash and Bank Balances	5	623,645	868,582
Loans and Advances	6	105,307	106,812
		3,148,944	3,080,055
Less: CURRENT LIABILITIES AND PROVISIONS			
Current Liabilities	7	2,094,657	2,048,504
Provisions	8	-	122,500
		2,094,657	2,171,004
NET CURRENT ASSETS			
		1,054,287	909,051
		1,890,507	1,802,729
		-	-
Significant Accounting Policies and Notes to the Accounts	12		
Schedules referred to above form an integral part of the Financial Statements			

As per our attached report of even date

For Lodha & Co.
Chartered Accountants

For and on behalf of the Board of Directors

R. P. Baradiya
Partner

Viswanath Tadimety
Director

Place : Mumbai
Dated : June 20, 2005

Place : Trevese, USA
Dated : June 20, 2005



PROFIT AND LOSS ACCOUNT FOR THE NINE MONTHS PERIOD ENDED 31ST MARCH, 2005

	SCHEDULE	For the period 1st July, 2004 to 31st March, 2005	For the year 1st July, 2003 to 30th June, 2004
US DOLLARS		US DOLLARS	
INCOME			
Income from Software Development and Services		8,176,986	7,086,619
Other Income	9	6,479	7,535
		8,183,465	7,094,154
EXPENDITURE			
Employee costs	10	3,680,460	4,565,183
Operating and Administrative expenses	11	4,169,482	2,046,687
Depreciation/Amortisation		122,807	115,568
		7,972,749	6,727,439
Profit before tax		210,716	366,715
Provision for Tax			
Current Tax		156,233	148,986
Deferred Tax (Asset)/Liabilities		(33,295)	—
Profit for the Year		87,778	217,729
Add:Balance of Profit brought forward		217,729	—
BALANCE CARRIED FORWARD		305,507	217,729
Earnings per share- Basic and Diluted		0.06	0.14
Significant Accounting Policies and Notes to the Accounts	12		
Schedules referred to above form an integral part of the Financial Statements			

As per our attached report of even date

For Lodha & Co.
Chartered Accountants

For and on behalf of the Board of Directors

R. P. Baradiya
Partner Director

Viswanath Tadimety

Place : Mumbai
Dated : June 20, 2005

Place : Trevoze,USA
Dated :

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SCHEDULES TO BALANCE SHEET AS AT 31st March 2005

	As at 31st March, 2005	As at 30th June, 2004
	US DOLLARS	US DOLLARS
SCHEDULE '1'		
SHARE CAPITAL		
AUTHORISED		
10,000,000 Common Stock of USD 0.01 each.	100,000	100,000
ISSUED, SUBSCRIBED AND PAID-UP		
1,585,000 Common Stock of USD.0.01 each; fully paid. (All the shares are held by CyberTech Systems and Software Limited, India)	15,850	15,850
SCHEDULE '2'		
RESERVES AND SURPLUS		
Securities Premium Account		
Opening Balance	1,569,150	-
Add: Additions during the year	-	1,569,150
	1,569,150	1,569,150
Profit and Loss Account	305,507	217,729
	1,874,657	1,786,879

SCHEDULE '3' **FIXED ASSETS**

(Amount in US Dollars)

DESCRIPTION	GROSS BLOCK (At Cost)				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at July 1, 2004	Additions During the period	Deductions/ during the period	As at March 31, 2005	upto Jun 30, 2004	For the period	On Deductions/ Adjustments	Upto March 31, 2005	As at March 31, 2005	As at June 30, 2004
Goodwill	775,000	-	-	775,000	58,125	58,125	-	116,250	658,750	716,875
Computers	134,246	32,054	-	166,300	32,441	39,682	-	72,123	94,177	101,805
Furniture & Fixtures	100,000	-	-	100,000	25,002	25,000	-	50,002	49,998	74,998
Current Year Total	1,009,246	32,054	-	1,041,300	115,568	122,807	-	238,375	802,925	893,678
Previous Year Total	-	1,009,246	-	1,009,246	-	115,568	-	115,568	893,678	

SCHEDULE '4' **SUNDRY DEBTORS (Unsecured)**

Considered Good		
Exceeding six months	115,070	110,298
Others (includes unbilled revenue of USD 156,827; previous year USD 559,271)	2,304,922	1,994,363
	2,419,992	2,104,661

SCHEDULE '5' **CASH AND BANK BALANCES**

Bank Balances		
With Banks :		
- in Current Accounts	56,639	239,848
- in Call Accounts	567,006	628,734
(Maximum balance due at any time during the year USD 868,315)	623,645	868,582



SCHEDULES TO BALANCE SHEET AS AT 31st March 2005

	As at 31st March, 2005	As at 30th June, 2004
	US DOLLARS	US DOLLARS
SCHEDULE '6'		
LOANS AND ADVANCES		
(Unsecured, Considered good)		
Advances recoverable in cash or in kind or for value to be received	69,923	90,383
Loans to Employees	-	400
Sundry deposits	16,029	16,029
Advance Tax	19,355	-
(Net of Provisions - USD 288,795 ; Previous Year NIL)	<u>105,307</u>	<u>106,812</u>
SCHEDULE '7'		
CURRENT LIABILITIES		
Sundry Creditors *	-	-
Small Scale Industrial Units	1,802,150	1,851,102
Others	253,910	197,402
Other Liabilities	38,597	-
Book Overdraft	-	-
	<u>2,094,657</u>	<u>2,048,504</u>
* including dues to holding company- USD 417,732,(Previous Year USD 237,716)		
SCHEDULE '8'		
PROVISIONS		
for taxation	-	122,500
(Net of Payment of USD Nil , Previous Year USD 20,286)	<u>-</u>	<u>122,500</u>

SCHEDULES TO PROFIT & LOSS ACCOUNT FOR THE NINE MONTHS PERIOD ENDED 31ST MARCH, 2005

	For the period 1st July, 2004 to 31st March, 2005	For the financial year ended 30th June, 2004
SCHEDULE '9'		
OTHER INCOME		
Interest Received	6,479	7,075
Miscellaneous income	-	460
	<u>6,479</u>	<u>7,535</u>
SCHEDULE '10'		
EMPLOYEE COSTS		
Salaries	3,631,467	4,396,800
Welfare	48,993	168,383
	<u>3,680,460</u>	<u>4,565,183</u>
SCHEDULE '11'		
OPERATING AND ADMINISTRATIVE EXPENSES		
Travelling & Conveyance	255,157	136,004
Communication	47,960	47,447
Power	5,521	4,741
Insurance	39,688	39,788
Rent	79,951	79,114
Rates and Taxes	-	10,013
Professional Fees	3,556,962	1,539,748
Commission	34,341	25,736
Office Expenses	6,538	14,903
Printing & Stationery	5,877	15,632
Auditors' Remuneration	-	-
Audit Fees	5,000	-
Repairs and Maintenance:		
Plant & Machinery	58,518	75,865
Others	43,022	23,555
	101,540	-
Miscellaneous Expenses	30,947	34,142
	<u>4,169,482</u>	<u>2,046,687</u>

SCHEDULE "12"

NOTES TO THE ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FORMING PART OF THE ACCOUNTS FOR THE NINE MONTHS PERIOD ENDED ON 31ST MARCH, 2005.

1. SIGNIFICANT ACCOUNTING POLICIES :

General :

The financial statements are prepared on the basis of the historical cost convention , in accordance with the applicable accounting standards and on the principles of a going concern. All expenses and income to the extent ascertainable with reasonable certainty are accounted for on accrual basis.

Revenue Recognition :

Income from software development, customer support services and Consulting s are recognised in accordance with the terms of the contract.

Revenue from fixed price contracts with milestone billings, fixed time frame contracts are recognized as per the proportionate completion method.

Fixed Assets and Depreciation / Amortisation :

Fixed assets are stated at cost of acquisition less accumulated depreciation/amortisation.

Depreciation/amortisation is provided using the straight-line method over the estimated useful life as under :

Description of Assets	Estimated useful life
Computers	3 years
Furniture & Fixtures	3 years
Goodwill *	10 years

* Note :

Goodwill arising on purchase of business by the Company (representing the cost of business acquisition in excess of the fair value assigned to the net tangible assets acquired).

The company assesses at each balance sheet date whether there is any indication that any assets may be impaired. If any such indication exists, the carrying value of such assets is reduced to its recoverable amount and the amount of such impairment loss is charged to profit and loss account. If at the balance sheet date, there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and asset is restated to that effect.

Taxation :

Provision for tax is made on the basis of the estimated taxable income for the current accounting year in accordance with the relevant Income Tax laws of United States of America. The deferred tax for timing difference is accounted for, based on the tax rules and laws that have been substantively enacted as of the Balance Sheet date. Deferred tax assets arising out from the timing differences are recognized to the extent there is virtual/reasonable certainty that these would be realized in future.

Provisions, contingent liabilities and contingent assets :

A provision is made based on reliable estimate when it is possible that an outflow of resources embodying economic benefit will be required to settle an obligation. Contingent liabilities, unless the possibility of outflow of resources embodying economic benefit is remote, are disclosed by way of notes to accounts. Contingent assets are not recognized or disclosed in the financial statement.

NOTES ON ACCOUNTS:

2. Segment Reporting :

Pursuant to Accounting Standard 17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India, the Company has only one reportable segment viz. Software Services & Development during the year.

3. Earnings Per Share :

	For the period 1st July, 2004 to 31st March, 2005	For the year 1 st July, 2003 to 30th June, 2004
Profit attributable to the Shareholders (USD)	87,778	217,729
Weighted average number of Equity Shares outstanding during the year (Nos.)	1,585,000	1,585,000
Nominal Value of Equity Shares (USD)	0.01	0.01
Basic and Diluted Earnings Per Share (USD) (Not annualised)	0.06	0.14



4. Disclosure in respect of Related Party pursuant to Accounting Standard 18 are as under :

A. List of Related Parties :

(i) Parties where control exists :

Holding Company

CyberTech Systems and Software Ltd., India

Fellow Subsidiary

CyberTech Europe SA (CTE)

Subsidiaries of CTE

(i) CyberTech Information Services BVBA

(ii) Cybertech Information Services UK Ltd.

(iii) Cyber Information Services SARL

(ii) Other Parties with whom the company has entered into transactions during the year

1. Associates :

(a) CyberTech Systems Inc., USA

(b) Corliant Inc.U.S.A.

2. Key Management Personnel

Viswanath Tadimety - Director

B. Transactions entered with Related Parties in the ordinary course of business :

Particulars	Amount in US Dollars			
	Referred in (A) (i) above	Referred in (A)(ii)(1) (a) above	Referred in (A)(ii)(1) (b) above	Referred in (A)(ii)(2) above
1) Expenses	1,030,805 (441,755)	- (-)	428,165 (-)	150,000 (-)
2) Advances paid	2,727 (62,425)	- (-)	- (-)	- (-)
3) Advances Recovered	81,432 (-)	- (-)	- (-)	- (-)
4) Purchase of business	- (-)	- (1,000,000)	- (-)	- (-)
5) Outstanding as at the year end				
a) Payable	434,012 (237,716)	412,635 (785,996)	191,747 (-)	- (-)
b) Advances	- (62,425)	- (-)	- (-)	- (-)

Note :

- i) Related party relationship is as identified by the Company and relied upon by the Auditors.
- ii) No amounts have been written off/ back and provided for in respect of the related party.
- iii) Figures in bracket represent previous years figures.

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5. Operating Lease :

The Company has, during the year 2003, acquired office premises under lease and licence agreement for a period of 51 months and it is non cancelable.

- i) Rent paid for office premises, which is equally amortised over the period of the lease, on operating lease amounted to USD 76,242 (Previous year USD 67,771)
 - ii) Future lease rentals payable within a period of 1 year amounted to USD 101,657 (Previous year USD 101,657) and for the further period till end of the contract USD 288,027 (Previous year USD 364,270).
 - iii) Interest free deposit paid against lease rentals USD 16,029 (Previous year USD 16,029).
6. As per Accounting Standard 22 on 'Accounting for Taxes on Income', the Company has worked out deferred tax assets as on 31st March, 2005. The Company has recognized deferred tax asset of USD 33,295 for the period and the details thereof is given below.

Deferred Tax Assets	Amount in US Dollars	
	As at 31 st March, 2005	As at 30 th June, 2004
Expenses allowable in subsequent years	33,295	NIL
	33,295	NIL

7. Additional information under Part II of schedule VI of the Companies Act, 1956. The services rendered by the company Company cannot be expressed in any generic unit and hence, it is not possible to give the quantitative details of sales.
8. Previous year's figures have been re-grouped/re-arranged, wherever necessary, to conform to the current periods classification/presentation.

For and on behalf of the Board of Directors

Place : Trevoze, U.S.A.

Dated : June 20, 2005

Viswanath Tadimety

Director



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2005

A. CASH FLOW FROM OPERATING ACTIVITY

NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS :	-	210,716
ADJUSTMENT FOR :		
DEPRECIATION (NET)		122,807
PRELIMINARY EXPENSES W/OFF		
UNREALISED FOREIGN EXCHANGE		
ASSET WRITTEN OFF		
Provision for retirement benefits		
PROVISION FOR DOUBTFUL DEBTS		
INTEREST INCOME		6,479
INTEREST EXPENSES		
Dividend from Long Term Investments - Non Trade		
Dividend from Current Investments - Non Trade		
Provision for diminution		-
BROKERAGE AND COMMISSION		
LOSS ON SALE OF ASSET DONATED	-	
Profit / (Loss) on sale of Short Term investments (net)		
OPERATING PROFIT BEFORE WORKING		
CAPITAL CHANGES		340,002
ADJUSTMENT FOR :		
TRADE & OTHER RECEIVABLES		
Debtors	(315,331)	
Unrealised Exchange difference	-	
Provision for doubtful debts	-	
Guarantees provided by bank to customs		
Trf from current liability/provision		(315,331)
Loans & Advances (Except ICD)	1,505	20,860
Transferred to advance taxes paid	19,355	
Opening Dividend		
Closing dividend		
Other Current Assets		-
Branch formation expenses		
TRADE PAYABLES		
Current Liabilities	46,153	
Unclaimed dividend		
Opening Balance		
Closing Balance	-	
Commission reversals		
closing capital creditors		
opening capital creditors		
Payments made to capital creditors	-	46,153
CASH GENERATED FROM OPERATIONS		91,684
DIRECT TAXES PAID		
Advance tax paid for FY 98-99		
TAX ADJUSTMENTS -INCOME TAX ASSESSEMENT	-	
Advance Tax -Current Year		
Provision for tazation	(245,438)	
Advance tax-shown Under loans & advances	(19,355)	
DEFERRED TAX ASSET	(33,295)	
TAX DEDUCTED AT SOURCE		
TAX DEDUCTED AT SOURCE		(298,088)
NET CASH FROM OPERATING ACTIVITIES		(206,404)

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B. CASH FLOW FROM INVESTING ACTIVITY

PURCHASE OF FIXED ASSETS

Fixed Assets	(32,054)	
Sale of acme premises		
Assets Written Off	-	
loss on sale of assets Donated	-	
Accum Depn on Assets Written off/Donated		
Depreciation on assets		
Depreciation on Assets Sold		
Capital WIP		
Capital Creditors	-	

(32,054)

Dividend from Long Term Investments - Non Trade	-	-
Dividend from Current Investments - Non Trade	-	-
PROFIT/(LOSS) ON SALE OF INVESTMENTS	-	
PURCHASE OF INVESTMENTS (NET)	-	
SALE OF INVESTMENTS		
Dividend Reinvested	-	
Provision for dimunition	-	-

Profit / (Loss) on sale of Short Term investments (net)	-	-
BROKERAGE AND COMMISSION	-	-
Sale of fixed assets (acme plaza)	-	
INTEREST RECEIVED	(6,479)	(6,479)
ICD's PLACED / REPAID		
ICD's RECOVERED / ACCEPTED		
NET CASH USED FOR INVESTING ACTIVITIES		(38,533)

C. CASH FLOW FROM FINANCING ACTIVITIES :

INCREASE IN COMMON STOCK	-	-
SHARE PREMIUM ADJUSTED	-	-
Increase in Common Stock		
cisl merger(investment) - adjustment with share premium		-

PROCEEDS FROM LONG TERM BORROWINGS		
PUBLIC ISSUE EXPENSES / PRELIMINARY EXPENSES	-	

DIVIDEND PAID

OPENING BAL (UNCLAIMED DIVIDEND)		
ADD: DECLARED DURING THE YEAR		
LESS: CLOSING BALANCE OF UNCLAIMED DIVIDEND	-	-

INTEREST PAID	-	-
NET CASH GENERATED FROM FINANCING ACTIVITIES	-	-

NET INCREASE IN CASH & CASH EQUIVALENTS (A+B+C) (244,937)

EFFECT OF EXCHANGE DIFF ON TRANSLATION OF EEFC A/C		
CASH & CASH EQUIVALENTS AT 1/7/02	868,582	
	868,582	868,582
CASH & CASH EQUIVALENTS AT 30/6/03	623,645	
	623,645	(244,937)



DIRECTORS' REPORT

The Directors have pleasure in submitting their annual report together with the Audited Annual Accounts for the period ended 31st March 2005.

Financial Highlights :

	(Amount in Euros)	
	2004-05	2003-04
Gross Revenue	25	3
Profit/ (Loss) before Interest & Depreciation	(13,524)	(1,529,957)
Interest	0	0
Depreciation	0	0
Provision for tax	1,173	(1,057)
Profit/ (Loss) after tax	(14,671)	(1,528,899)
Free Reserves brought forward from previous year	(1,879,234)	(350,335)
Amount available for appropriations	(1,893,905)	(1,879,234)
Appropriations		
Balance to be carried forward	(1,893,905)	(1,879,234)
Total Appropriations	(1,893,905)	(1,879,234)

* Figures for the previous year have been regrouped/ rearranged wherever necessary, hence may not be comparable

Dividend :

In view of the losses incurred your directors do not recommend any dividend.

Operations :

The Company's has not carried out any operation during the year under review. The Directors have not prepared the Annual Accounts on a 'going concern basis' since the businesses of the operating subsidiaries have been sold/ wound up and the management does not intend to initiate any new activities. The management has initiated the winding up of the company as well as its subsidiaries and expects to wind up the company in the year 2005.

Acknowledgement:

Your Directors place on record their appreciation for the support from Shareholders, Employees, Bankers & Others.

For and Behalf of the Board of Directors

Viswanath Tadimety
Director

Gaston Vandenplas
Director

Place :
Date :

Trevose, U.S.A
June 18, 2005

Brussels, Belgium
June 18, 2005

AUDITORS' REPORT

To,

THE SHAREHOLDERS OF CYBERTECH EUROPE S.A.

We have audited the attached Balance Sheet of CYBERTECH EUROPE S.A. as at 31st March 2005 and the related Profit & Loss Account for the period ended on that date, both of which have been signed by us under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We further report that :-

- a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of these books.
- c. The Balance Sheet and the Profit and Loss Account are in agreement with the books of account.
- d. In our opinion, these accounts have been prepared in compliance with the applicable Accounting Standards (AS) issued by the Institute of Chartered Accountants of India.

In our opinion and to the best of our information and according to the explanation given to us, the accounts read together with the notes thereon, particularly note 1 under the head "Accounting Policies" and note 2 under the head "Notes to Accounts" in Schedule 9, give the information required by the Companies Act of India, 1956 ('the Act'), in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March 2005; and
- ii) In the case of Profit and Loss Account, of the loss for the period ended on that date.

For A. M. Karwar & Associates
Chartered Accountants

ROHIT A. MEHRA
Partner

Membership no. 103747

PLACE : MUMBAI
DATED : JUNE 20, 2005

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BALANCE SHEET AS AT 31st MARCH, 2005

	SCHEDULE	Euro	As at 31st March, 2005	Euro	As at 30th June, 2004
SOURCES OF FUNDS					
SHARE HOLDERS' FUNDS					
Share Capital	1	1,643,891			1,643,891
Reserves & Surplus	2	139			139
			1,644,030		1,644,030
UNSECURED LOANS					
	3		250,000		250,000
			1,894,030		1,894,030
APPLICATION OF FUNDS					
CURRENT ASSETS, LOANS & ADVANCES					
Cash and Bank Balances	4	1,237			16,777
Loans and Advances	5	0			3,612
			1,237		20,389
Less: CURRENT LIABILITIES & PROVISIONS					
Current Liabilities	6	1,113			5,594
			1,113		5,594
NET CURRENT ASSETS/ (LIABILITIES)			125		14,796
PROFIT AND LOSS ACCOUNT (LOSS)			1,893,905		1,879,234
			1,894,030		1,894,030

Significant Accounting Policies and

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Notes to the Accounts

Schedules referred to above form an integral part of the Financial Statements

As per our attached report of even date

For A M Karwar & Associates
Chartered Accountants

For and on behalf of the Board of Directors

Rohit A. Mehra
Partner
Membership No. 103747

Viswanath Tadimety
Director

Gaston Vandenplas
Director

Mumbai
June 18, 2005

Treviso, USA
June 18, 2005

Brussels, Belgium
June 18, 2005

**PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31st MARCH, 2005**

SCHEDULE	For the period	For the year
	1st July, 2004 to 31st March, 2005	1st July, 2003 to 30th June, 2004
	Euro	Euro
INCOME		
Other Income	7	3
	25	3
	25	3
EXPENDITURE		
Operating and Administrative expenses	8	12,020
Loans & Advances written off		0
Provision for dimunition in value of investments		129,018
Provision for dimunition in value of loans & advances		1,388,922
		13,524
		1,529,960
Profit/ (Loss) for the year	(13,499)	(1,529,957)
Provision for tax/ (written back)	1,173	(1,057)
Balance of Profit/(Loss) Brought Forward	(1,879,234)	(350,335)
Balance Carried Forward to the Balance Sheet	(1,893,905)	(1,879,234)

Significant Accounting Policies and 9

Notes to the Accounts

Schedules referred to above form an integral part of the Financial Statements

As per our attached report of even date

For **A M Karwar & Associates**
Chartered Accountants**Rohit A. Mehra**
Partner
Membership No. 103747Mumbai
June 18, 2005

For and on behalf of the Board of Directors

Viswanath Tadimety
DirectorTrevose, USA
June 18, 2005**Gaston Vandenplas**
DirectorBrussels, Belgium
June 18, 2005

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SCHEDULES TO BALANCE SHEET AS AT 31st MARCH, 2005

	Euro	As at 31st March, 2005	Euro	As at 30th June, 2004
SCHEDULE '1'				
SHARE CAPITAL				
ISSUED, SUBSCRIBED AND PAID-UP				
13,26,289 (Previous year 13,26,289) Equity shares of Luxembourg Franc 50 equivalent to Euro 1.239467 each fully paid.		1,643,891		1,643,891
SCHEDULE '2'				
RESERVES AND SURPLUS				
a) General Reserve				
Balance as per last Balance Sheet	139			139
Less: Transferred to Profit and Loss A/c	0			0
		139		139
		139		139
SCHEDULE '3'				
UNSECURED LOANS				
From Companies		250,000		250,000
		250,000		250,000
SCHEDULE '4'				
CASH AND BANK BALANCES				
With Other Banks				
- in Current Accounts		1,237		16,777
		1,237		16,777

SCHEDULE '4'

INVESTMENTS

	Face Value per unit	Quantity in Numbers					As at	As at
		Opening	Purchased	Reinvested	Sold	Closing	31st March 2005	30th June, 2004
							Euro	Euro
(Unquoted, unless otherwise stated)								
I Long term Investments								
Trade Shares								
France	0.00 F	-	-	-	-	-	7,622	
UK	£0.00	-	-	-	-	-	61,064	
Belgium	0.00 BF	-	-	-	-	-	60,332	
						0	129,018	
Less: Provision for diminution in value of investments				0	(129,018)			
Aggregate book value of Investments: Unquoted						0	0	

SCHEDULE '5'

LOANS AND ADVANCES

(Unsecured, Considered good)

Loans to Subsidiary Companies

Less: Provisions for diminution in value

0

0

1,388,922

(1,388,922)

0

0

Advances recoverable in cash or in kind or
for value to be received

0

3,612

0

3,612

**SCHEDULES TO BALANCE SHEET AS AT 31st MARCH, 2005**

SCHEDULE	As at	As at
	31st March, 2005	30th June, 2004
	Euro	Euro
SCHEDULE '6'		
CURRENT LIABILITIES		
Sundry Creditors	1,113	4,575
Other Liabilities	0	1,018
	<u>1,113</u>	<u>5,594</u>

SCHEDULES TO PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31st MARCH, 2005

SCHEDULE	For the period	For the year
	1st July, 2004 to 31st March, 2005	1st July, 2003 to 30th June, 2004
	Euro	Euro
SCHEDULE '7'		
OTHER INCOME		
Gross Interest		
On Bank Balance	25	3
Exchange Gain	0	0
	<u>25</u>	<u>3</u>
SCHEDULE '8'		
OPERATING AND ADMINISTRATIVE EXPENSES		
Professional fees	3,400	1,850
Office Expenses	225	3,375
Exchange Loss	219	6,683
Miscellaneous expenses	85	112
	<u>3,930</u>	<u>12,020</u>

SCHEDULE "9": NOTES ON ACCOUNTS**ACCOUNTING POLICIES**

1. The Accounts of the company are not prepared on the historical cost convention & going concern basis since the businesses of the operating subsidiaries have been sold/ wound up and the management does not intend to initiate any new activities.
2. Foreign currency transactions, if any, are accounted at exchange rates prevailing on the date the transaction takes place. Gains and losses arising out of subsequent fluctuations are accounted for on actual payment/ realization. Gains/ losses, if any at period end on account of restatement of the current assets and current liabilities, are dealt with in the profit & loss account.
3. Provision for current year tax is made on the basis of the minimum taxes payable each year by the Company in accordance with the laws of Luxembourg. The deferred tax for timing difference is accounted for, based on the tax rules and laws that have been enacted or substantively enacted as of the Balance Sheet date. Deferred tax assets arising out from the timing differences are recognized only to the extent there is reasonable certainty that these would be realized in future.

NOTES ON ACCOUNTS:

1. No deferred tax asset is recognized on account of unabsorbed losses for the year as also earlier years, since the management is in the process of winding up the Company.
2. The management intends to wind up the company as well as its subsidiaries during the year 2005 and does not expect any significant further costs to that effect.
3. Previous Year figures have been rearranged/ regrouped wherever necessary.

SCHEDULE 11

CASH FLOW STATEMENT

	For the period 1st July, 2004 to 31st March, 2005	
	Euro	Euro
A. Cash flow from Operating activities		
Net profit before tax :		(13,499)
Adjustment for :		
Interest income	(22)	(22)
		(13,520)
Operating profit before Working Capital changes		(13,520)
Adjustment for :		
Increase/ (Decrease)Trade payables	(4,481)	(4,481)
		(18,001)
Cash generated from operations		(18,001)
Tax paid		(1,173)
		(19,174)
Net cash from operating activities		(19,174)
B. Cash flow from investing activities		
Interest received		22
		22
Net cash from investing activities		22
C. Cash flow from financing activities :		
Loans repaid (net)		3,612
		3,612
Net cash from financing activities		3,612
Net increase/(Decrease) in cash & cash equivalents (a+b+c)		(15,540)
		16,777
Cash & cash equivalents (Opening)		16,777
Cash & cash equivalents (Closing)		1,237
		(15,540)
		0

Note

1. Cash and Cash equivalents includes :
 - a) Balance with Other Banks in Current Accounts



DIRECTORS' REPORT

The Directors have pleasure in submitting their annual report together with the Audited Annual Accounts for the period ended 31st March 2005.

Financial Highlights :

(Amount in Euros)

	2004 – 05	2003 – 04
Gross Revenue	537,476	547,555
Profit/ (Loss) before Interest & Depreciation	528,097	59,064
Interest	13,363	3,913
Depreciation	0	(6,875)
Provision for tax	414	0
Profit/ (Loss) after tax	514,319	62,026
Free Reserves brought forward from previous year	(583,256)	(645,283)
Amount available for appropriations	(68,937)	(583,256)
Appropriations		
Balance to be carried forward	(68,937)	(583,256)
Total Appropriations	(68,937)	(583,256)

* Figures for the previous year have been regrouped/ rearranged wherever necessary, hence may not be comparable

Dividend:

In view of the losses incurred your directors do not recommend any dividend.

Operations:

Your Company had sold its ERP operations to M/s Altı alongwith various assets, during the financial year 2003 – 2004. During the year under review, your Company has not carried out any further activities other than collection of receivables and clearance of dues to various creditors. Since the business of the company has been sold and the management does not intend to initiate any new activities, the Directors have not prepared the Annual Accounts on a 'going concern basis'. The management has initiated winding up and expects to wind up the company during the year 2005 at no significant further costs to that effect.

Acknowledgement:

Your Directors place on record their appreciation for the support from Shareholders, Employees, Bankers & Others.

For and Behalf of the Board of Directors

Place : Brussels, Belgium

Date : 18th June, 2005

Gaston Vandenplas

Managing Director

AUDITORS' REPORT

TO,

THE SHAREHOLDERS OF CYBERTECH INFORMATION SERVICES B.V.B.A.

We have audited the attached Balance Sheet of **CYBERTECH INFORMATION SERVICES B.V.B.A.** as at 31st March 2005 and the related Profit & Loss Account for the period ended on that date, both of which have been signed by us under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We further report that :-

- We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of these books.
- The Balance Sheet and the Profit and Loss Account are in agreement with the books of accounts.
- In our opinion, these accounts have been prepared in compliance with the applicable Accounting Standards (AS) issued by the Institute of Chartered Accountants of India.

In our opinion and to the best of our information and according to the explanation given to us, the account read together with the notes thereon, particularly note 1 under the head "Accounting Policies" and note 3 under the head "Notes to Accounts" in Schedule 11, give the information required by The Companies Act of India, 1956 ('the Act'), in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

- In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2005; and
- In the case of Profit and Loss Account, of the loss for the period ended on that date.

For **A. M. Karwar & Associates**
Chartered Accountants

Rohit A. Mehra
Partner

Membership No. 103747

Place : Mumbai
Dated : 18th June, 2005

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BALANCE SHEET AS AT 31st MARCH, 2005

	SCHEDULE	Euro	Euro	Euro
		31st March, 2005	30th June, 2004	
SOURCES OF FUNDS				
SHARE HOLDERS' FUNDS				
Share Capital	1	60,332		60,332
Reserves & Surplus	2	6,033		6,033
			66,366	66,366
LOANS				
Unsecured Loans	3		0	211,961
			66,366	278,327
APPLICATION OF FUNDS				
CURRENT ASSETS, LOANS & ADVANCES				
Sundry Debtors	4	0		60,500
Cash and Bank Balances	5	12,931		2,601
Loans and Advances	6	1,298		3,864
		14,229		66,965
Less: CURRENT LIABILITIES & PROVISIONS				
Current Liabilities	7	16,800		371,894
		16,800		371,894
NET CURRENT ASSETS/ (LIABILITIES)			(2,572)	(304,929)
PROFIT AND LOSS ACCOUNT (LOSS)			68,937	583,256
			66,366	278,327
			(0.00)	-

Significant Accounting Policies and
Notes to the Accounts 11

Schedules referred to above form an integral part of the Financial Statements

As per our attached report of even date

For **A M Karwar & Associates**
Chartered Accountants

Rohit A. Mehra
Partner
Membership No. 103747

Mumbai
June 18, 2005

For and on behalf of the Board of Directors

Gaston Vandenplas
Director

Belgium
June 18, 2005



PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31st MARCH, 2005

SCHEDULE	For the period	For the year
	1st July, 2004 to 31st March, 2005	1st July, 2003 to 30th June, 2004
	Euro	Euro
INCOME		
Income from :		
Software Development and Services	0	267,945
Other Income	8	279,611
	<u>537,476</u>	<u>547,555</u>
EXPENDITURE		
Employee costs	9	268,974
Operating and Administrative expenses	10	203,301
Interest	13,363	3,913
Depreciation	0	(6,875)
Loss on sale of assets	0	6,729
Provision for doubtful debts	0	9,487
	<u>22,742</u>	<u>485,529</u>
Profit/ (Loss) for the year	514,734	62,026
Provision for tax	414	0
Balance of Profit/(Loss) Brought Forward	(583,256)	(645,283)
Balance Carried Forward to the Balance Sheet	(68,937)	(583,256)

Significant Accounting Policies and
Notes to the Accounts 11

Schedules referred to above form an integral part of the Financial Statements

As per our attached report of even date

For **A M Karwar & Associates**
Chartered Accountants

Rohit A. Mehra
Partner
Membership No. 103747

Mumbai
June 18, 2005

For and on behalf of the Board of Directors

Gaston Vandenplas
Director

Belgium
June 18, 2005

Annual Report 2004 - 2005

SCHEDULES TO BALANCE SHEET AS AT 31st MARCH, 2005

	Euro	Euro	Euro
	As at 31st March, 2005	As at 30th June, 2004	
SCHEDULE '1'			
SHARE CAPITAL			
ISSUED, SUBSCRIBED AND PAID-UP			
38,000 (Previous year 38,000) Equity shares of Belgian Franc 50 equivalent to Euro 1.5877 each fully paid.	60,332	60,332	
	<u>60,332</u>	<u>60,332</u>	
SCHEDULE '2'			
RESERVES AND SURPLUS			
a) General Reserve			
Balance as per last Balance Sheet	6,033	6,033	
Less: Transferred to Profit and Loss A/c	0	0	
	<u>6,033</u>	<u>6,033</u>	
	6,033	6,033	
	<u>6,033</u>	<u>6,033</u>	
SCHEDULE '3'			
UNSECURED LOANS			
From Companies	0	211,961	
	<u>0</u>	<u>211,961</u>	
	0	211,961	
	<u>0</u>	<u>211,961</u>	
SCHEDULE '4'			
SUNDRY DEBTORS (Unsecured)			
Considered Good			
Exceeding six months	0	69,987	
Others	0	0	
	<u>0</u>	<u>69,987</u>	
Less: Provision for doubtful debts	0	(9,487)	
	<u>0</u>	<u>60,500</u>	
	0	60,500	
	<u>0</u>	<u>60,500</u>	

SCHEDULE '4'

FIXED ASSETS

(Amount in Euro)

DESCRIPTION	GROSS BLOCK (At Cost)				DEPRECIATION				NET BLOCK	
	As at 01-07-04	Additions/ Adjustments	Deductions/ Adjustments	As at 31-03-05	Upto 30-06-04	For the year	On Deductions/ Adjustments	Upto 31-03-05	As at 31-03-05	As at 30-06-04
Plant & Machinery and Office Equipment	-	-	-	-	-	-	-	-	-	-
Computers	-	-	-	-	-	-	-	-	-	-
Furniture & Fixtures	-	-	-	-	-	-	-	-	-	-
Motor Cars	-	-	-	-	-	-	-	-	-	-
Current Year Total	-	-	-	-	-	-	-	-	-	-
Previous Year Total	538,882	-	538,882	-	514,239	(6,875)	507,364	-	-	24,643



SCHEDULES TO BALANCE SHEET AS AT 30TH JUNE, 2004

	As at 31 st March, 2005	As at 30th June, 2004
SCHEDULE '5'		
CASH AND BANK BALANCES		
Cash on hand	0	205
Bank Balances		
With Other Banks		
- in Current Accounts	12,931	2,395
	<u>12,931</u>	<u>2,601</u>
	<u><u>12,931</u></u>	<u><u>2,601</u></u>
SCHEDULE '6'		
LOANS AND ADVANCES		
(Unsecured ,Considered good)		
Loans to Fellow Subsidiary Company	0	0
Advances recoverable in cash or in kind or for value to be received	1,298	3,864
	<u>1,298</u>	<u>3,864</u>
	<u><u>1,298</u></u>	<u><u>3,864</u></u>
SCHEDULE '7'		
CURRENT LIABILITIES		
Sundry Creditors	7,870	365,871
Other Liabilities	8,930	6,024
	<u>16,800</u>	<u>371,894</u>
	<u><u>16,800</u></u>	<u><u>371,894</u></u>

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SCHEDULES TO PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31st MARCH, 2005

	For the period 1st July, 2004 to 31st March, 2005	For the year 1st July, 2003 to 30th June, 2004
	Euro	Euro
SCHEDULE '8'		
OTHER INCOME		
Proceeds from sale of business	0	250,000
Balances written back	445,194	29,369
Exchange Gain	92,271	0
Miscellaneous income	11	242
	<u>537,476</u>	<u>279,611</u>
SCHEDULE '9'		
EMPLOYEE COSTS		
Salaries	420	194,167
Contribution to Provident and other funds	0	74,803
Welfare	0	3
	<u>420</u>	<u>268,974</u>
SCHEDULE '10'		
OPERATING AND ADMINISTRATIVE EXPENSES		
Travelling & Conveyance	0	31,035
Communication	0	15,923
Power	0	3,663
Insurance	335	3,469
Rent	1,245	34,555
Rates and Taxes	0	8,170
Professional fees	5,000	92,429
Office Expenses	0	3,863
Security Expenses	0	447
Printing & Stationery	0	219
Auditors' Remuneration - Audit Fees	0	0
Repairs and Maintenance		
Buildings	-	1,404
Plant & Machinery	-	88
Others	-	4
	<u>0</u>	<u>1,496</u>
Miscellaneous expenses	2,378	8,032
	<u>8,959</u>	<u>203,301</u>



SCHEDULE "11": NOTES ON ACCOUNTS

ACCOUNTING POLICIES

1. The Accounts of the company are not prepared on the historical cost convention & going concern basis since the management does not intend to carry out any new activities and has initiated the winding up proceedings.
2. Foreign currency transactions, if any, are accounted at exchange rates prevailing on the date the transaction takes place. Gains and losses arising out of subsequent fluctuations are accounted for on actual payment/ realization. Gains/ losses, if any at period end on account of restatement of the current assets and current liabilities, are dealt with in the profit & loss account.
3. Provision for current year tax is made in accordance with the laws of the Belgium. The deferred tax for timing difference is accounted for, based on the tax rules and laws that have been enacted or substantively enacted as of the Balance Sheet date. Deferred tax assets arising out from the timing differences are recognized only to the extent there is reasonable certainty that these would be realized in future.

NOTES ON ACCOUNTS:

1. Remuneration given to the Directors for the year = Euro NIL (Previous year Euro 10,168)
2. No deferred tax asset is recognized on account of unabsorbed losses for the year, as also earlier years, since the management is in the process of winding up the Company.
3. The management has initiated and intends to wind up the company during the year 2005 and does not expect any significant further costs to that effect.
4. Previous Year figures have been rearranged/ regrouped wherever necessary.

For and on behalf of the Board of Directors

Gaston Vandenplas
Director

Belgium
June 18,2005

Annual Report 2004 - 2005

CASH FLOW STATEMENT

	For the period 1st July, 2004 to 31st March, 2005	
	Euro	Euro
A. Cash flow from Operating activities		
Net profit before tax :		514,734
Adjustment for :		
Depreciation	-	
Loss on asset sold/ written off	-	
		-
Operating profit before Working Capital changes		514,734
Adjustment for :		
Decrease / (Increase) in Trade & other receivables	60,500	
Increase/(Decrease)Trade payables	(355,094)	
		(294,594)
Cash generated from operations		220,140
Tax paid		(414)
Net cash from operating activities		219,725
B. Cash flow from investing activities		
Sale of fixed assets		-
Net cash from investing activities		-
C. Cash flow from financing activities :		
Proceeds from/ (Repayment of) Term Loans		-
Proceeds from/ (Repayment of) Short Term Borrowings (net)		(211,961)
Loans & Advances (made)/ refunded		2,567
Net cash from financing activities		(209,395)
Net increase/(Decrease) in cash & cash equivalents (a+b+c)		10,331
Cash & cash equivalents (Opening)		2,601
Cash & cash equivalents (Closing)		12,931
		10,331
		0.00

Note

- 1 Cash and Cash equivalents includes :
- a) Cash on Hand
 - b) Balance with Other Banks in Current Accounts



DIRECTORS' REPORT

The Directors have pleasure in submitting their annual report together with the Audited Annual Accounts for the period ended 31st March 2005

Financial Highlights:

(Amount in Euros)

	2004 – 05	2003 – 04
Gross Revenue	0	120,526
Profit/ (Loss) before Interest & Depreciation	(44,149)	(24,938)
Interest	0	96
Depreciation	0	1,329
Provision for tax	577	7,503
Profit/ (Loss) after tax	(44,725)	(33,867)
Free Reserves brought forward from previous year	(542,361)	(508,495)
Amount available for appropriations	(587,087)	(542,361)
Appropriations		
Balance to be carried forward	(587,087)	(542,361)
Total Appropriations	(587,087)	(542,361)

* Figures for the previous year have been regrouped/ rearranged wherever necessary, hence may not be comparable

Dividend:

In view of the losses incurred your directors do not recommend any dividend.

Operations:

Your Company had sold its ERP operations to M/s Alti alongwith various assets, during the financial year 2003 – 2004. During the year under review, your Company has not carried out any further activities, other than collection of receivables and clearance of dues to various creditors. Since the business of the company has been sold and the management does not intend to initiate any new activities the Directors have not prepared the Annual Accounts on a 'going concern basis'. An award has been made in favour of an ex-employee of the Company for an amount payable that is significantly higher than the Company's resources. The management is preparing to file for bankruptcy and expects to liquidate the company during the year 2005.

Acknowledgement:

Your Directors place on record their appreciation for the support from Shareholders, Employees, Bankers & Others.

For and Behalf of the Board of Directors

Place: Brussels, Belgium
Date: June 18, 2005

Gaston Vandenplas
Managing Director

AUDITORS' REPORT

TO,
THE SHAREHOLDERS OF CYBER INFORMATION SERVICES, S.P.R.L.

We have audited the attached Balance Sheet of CYBER INFORMATION SERVICES FRANCE, S.P.R.L. as at 31st March 2005 and the related Profit & Loss Account for the period ended on that date, both of which have been signed by us under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We further report that :-

- We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of these books.
- The Balance Sheet and the Profit and Loss Account are in agreement with the books of accounts.
- In our opinion, these accounts have been prepared in compliance with the applicable Accounting Standards (AS) issued by the Institute of Chartered Accountants of India.

In our opinion and to the best of our information and according to the explanation given to us, the account read together with the notes thereon, particularly note 1 under the head "Accounting Policies" and note 2 under the head "Notes to Accounts" in Schedule 10, give the information required by The Companies Act of India, 1956 ('the Act'), in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- In the case of Balance Sheet, of the state of affairs of the Company as at 31st March 2005; and
- In the case of Profit and Loss Account, of the loss for the period ended on that date.

For **A. M. Karwar & Associates**
Chartered Accountants

Place: Mumbai
Dated : June 20, 2005

ROHIT A. MEHRA
Partner
Membership no. 103747

Annual Report 2004 - 2005

BALANCE SHEET AS AT 31st MARCH, 2005

	SCHEDULE	Euro	As at 31st March, 2005 Euro	As at 30th June, 2004 Euro
SOURCES OF FUNDS				
SHARE HOLDERS' FUNDS				
Share Capital	1		7,622	7,622
LOANS				
Unsecured Loans	2		545,273	545,273
			552,896	552,896
APPLICATION OF FUNDS				
CURRENT ASSETS, LOANS & ADVANCES				
Sundry Debtors	3	0		7,964
Cash and Bank Balances	4	28,035		32,117
Loans and Advances	5	2,016		5,171
			30,052	45,252
Less: CURRENT LIABILITIES & PROVISIONS				
Current Liabilities	6	64,242		34,717
			64,242	34,717
NET CURRENT ASSETS/ (LIABILITIES)			(34,190)	10,535
PROFIT AND LOSS ACCOUNT (LOSS)			587,087	542,361
			552,896	552,896

Significant Accounting Policies and
Notes to the Accounts

10

Schedules referred to above form an integral part of the Financial Statements

As per our attached report of even date

For **A M Karwar & Associates**
Chartered Accountants

Rohit A. Mehra
Partner
Membership no. 103747
Mumbai
June 20, 2005

For and on behalf of the Board of Directors

Gaston Vandenplas
Director

Belgium
June 18, 2005



PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31st MARCH, 2005

SCHEDULE	For the year	For the period
	1st July, 2004 to 31st March, 2005	1st July, 2003 to 30th June, 2004
	Euro	Euro
<u>INCOME</u>		
Income from :		
Software Development and Services	0	44,898
Other Income	7	75,628
	<u>0</u>	<u>120,526</u>
<u>EXPENDITURE</u>		
Employee costs	8	36,196
Operating and Administrative expenses	9	7,953
Interest	0	96
Depreciation	0	1,329
Provision for retrenchment compensation claim	0	30,450
Provision for doubtful debts	0	4,167
Provision for diminution in value of loans & advances	0	4,307
	<u>44,149</u>	<u>146,889</u>
Profit/ (Loss) for the year	(44,149)	(26,364)
Provision for tax	577	7,503
Balance of Profit/(Loss) Brought Forward	(542,361)	(508,495)
Balance Carried Forward to the Balance Sheet	(587,087)	(542,361)

Significant Accounting Policies and

Notes to the Accounts

10

Schedules referred to above form an integral part of the Financial Statements

As per our attached report of even date

For **A M Karwar & Associates**
Chartered Accountants

Rohit A. Mehra
Partner
Membership no. 103747
Mumbai
June 20, 2005

For and on behalf of the Board of Directors

Gaston Vandenplas
Director

Belgium
June 18, 2005

Annual Report 2004 - 2005

SCHEDULES TO BALANCE SHEET AS AT 31st MARCH, 2005

	Euro	Euro	Euro
SCHEDULE '1'			
SHARE CAPITAL			
ISSUED, SUBSCRIBED AND PAID-UP			
500 (Previous year 500) Equity shares of French Franc 100 equivalent to Euro 15.2449 each fully paid.		7,622	7,622
		<u>7,622</u>	<u>7,622</u>
SCHEDULE '2'			
UNSECURED LOANS			
From Companies		545,273	545,273
		<u>545,273</u>	<u>545,273</u>

SCHEDULE '3'
FIXED ASSETS

(Amount in Euro)

DESCRIPTION	GROSS BLOCK (At Cost)				DEPRECIATION				NET BLOCK	
	As at 01-07-04	Additions/ Adjustments	Deductions/ Adjustments	As at 31-03-05	Upto 30-06-04	For the period	On Deductions/ Adjustments	Upto 31-03-05	As at 31-03-05	As at 30-06-04
Plant & Machinery and Office Equipment	-	-	-	-	-	-	-	-	-	-
Computers	-	-	-	-	-	-	-	-	-	-
Furniture & Fixtures	-	-	-	-	-	-	-	-	-	-
Current Year Total	-	-	-	-	-	-	-	-	-	-
Previous Year Total	59,151	-	59,151	-	49,979	1,329	51,308	-	-	9,173

SCHEDULE '4'

SUNDRY DEBTORS (Unsecured)

Considered Good

Exceeding six months	0	7,964
Others	0	0
		<u>0</u>
		7,964

Considered Doubtful

Exceeding six months	0	4,167
Less: Provision for Doubtful Debts	0	4,167
		<u>0</u>
		<u>0</u>
		7,964

SCHEDULE '5'

CASH AND BANK BALANCES

Bank Balances		
With Other Banks		
- in Current Accounts	28,035	32,117
	<u>28,035</u>	<u>32,117</u>



SCHEDULES TO BALANCE SHEET AS AT 30TH JUNE, 2005

	As at 31st March, 2005	As at 30th June, 2004
	Euro	Euro
SCHEDULE '6'		
LOANS AND ADVANCES		
(Unsecured, Considered good)		
Loans to Fellow Subsidiary Company	0	4,307
Less: Provision for diminution in value	0	(4,307)
	<u>0</u>	<u>0</u>
Advances recoverable in cash or in kind or for value to be received	2,016	5,171
	<u>2,016</u>	<u>5,171</u>
SCHEDULE '7'		
CURRENT LIABILITIES		
Sundry Creditors	62,074	32,713
Other Liabilities	2,168	2,004
	<u>64,242</u>	<u>34,717</u>

SCHEDULES TO PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31st MARCH, 2005

	For the period 1st July, 2004 to 31st March, 2005	For the year 1st July, 2003 to 30th June, 2004
	Euro	Euro
SCHEDULE '8'		
OTHER INCOME		
Proceeds from sale of business	0	50,000
Sundry Balances written back	0	25,628
	<u>0</u>	<u>75,627.88</u>
SCHEDULE '9'		
EMPLOYEE COSTS		
Salaries	35,038	27,118
Contribution to Provident and other funds	1,158	10,199
	<u>36,196</u>	<u>37,317</u>
SCHEDULE '10'		
OPERATING AND ADMINISTRATIVE EXPENSES		
Travelling & Conveyance	640	5,555
Communication	135	1,553
Insurance	0	1,508
Rent	99	7,285
Professional fees	5,105	42,332
Miscellaneous expenses	1,973	10,990
	<u>7,953</u>	<u>69,223</u>

Annual Report 2004 - 2005

SCHEDULE "11": NOTES ON ACCOUNTS

ACCOUNTING POLICIES

1. The Accounts of the company are not prepared on the historical cost convention & going concern basis since the management does not intend to carry out any new activities and has initiated the liquidation of the Company.
2. Foreign currency transactions, if any, are accounted at exchange rates prevailing on the date the transaction takes place. Gains and losses arising out of subsequent fluctuations are accounted for on actual payment/ realization. Gains/ losses, if any at period end on account of restatement of the current assets and current liabilities, are dealt with in the profit & loss account.
3. Provision for current year tax is made in accordance with the laws of the France. The deferred tax for timing difference is accounted for, based on the tax rules and laws that have been enacted or substantively enacted as of the Balance Sheet date. Deferred tax assets arising out from the timing differences are recognized only to the extent there is reasonable certainty that these would be realized in future.

NOTES ON ACCOUNTS:

1. No deferred tax asset is recognized on account of unabsorbed losses for the year, as also earlier years, since the management is in the process of winding up the Company.
2. An award for Euro 60,000 has been made by the court in favour of an ex-employee towards compensation payable on termination of services. The amount payable being far in excess of the resources of the Company, the management is preparing to file for bankruptcy and intends to liquidate the company during the year 2005.
3. Previous Year figures have been rearranged/ regrouped wherever necessary.

For and on behalf of the Board of Directors

Gaston Vandenplas
Director

Belgium
June 18, 2005



SCHEDULE 12
CASH FLOW STATEMENT

	For the period 1st July, 2004 to 31st March, 2005	
	Euro	Euro
A. Cash flow from Operating activities		
Net profit before tax :		(44,149)
Adjustment for :		
Depreciation	-	
Provision for Doubtful Debts	-	
		-
Operating profit before Working Capital changes		(44,149)
Adjustment for :		
Decrease/(Increase) in Trade & other receivables	7,964	
Increase/(Decrease)Trade payables	29,525	
		37,489
Cash generated from operations		(6,660)
Tax paid		(577)
Net cash from operating activities		(7,236)
B. Cash flow from investing activities		
Sale of fixed assets		-
Net cash from investing activities		-
C. Cash flow from financing activities :		
Proceeds from/ (Repayment of) short term loans		-
Loans & Advances (made)/ refunded		3,155
Net cash from financing activities		3,155
Net increase/(Decrease) in cash & cash equivalents (a+b+c)		(4,082)
Cash & cash equivalents (Opening)		32,117
Cash & cash equivalents (Closing)		28,035
		(4,082)

Note

- 1 Cash and Cash equivalents includes :
a) Balance with Other Banks in Current Accounts

For **A M Karwar & Associates**
Chartered Accountants

Rohit A. Mehra
Partner
Membership no. 103747
Mumbai
June 20, 2005

For and on behalf of the Board of Directors

Gaston Vandenplas
Director
Belgium
June 18, 2005

Annual Report 2004 - 2005

DIRECTORS' REPORT

The Directors have pleasure in submitting their annual report together with the Audited Annual Accounts for the period ended 31st March 2005.

Financial Highlights:

(Amount in GBP)

	2004 - 05	2003 - 04
Gross Revenue	736	79,634
Profit/ (Loss) before Interest & Depreciation	(1,720)	6,948
Interest	2	0
Depreciation	0	0
Provision for tax	0	383
Profit/ (Loss) after tax	(1,722)	6,565
Free Reserves brought forward from previous year	(599,174)	(605,739)
Amount available for appropriations	(600,896)	(599,174)
Appropriations		
Balance to be carried forward	(600,896)	(599,174)
Total Appropriations	(600,896)	(599,174)

* Figures for the previous year have been regrouped/ rearranged wherever necessary, hence may not be comparable

Dividend:

In view of the losses incurred your directors do not recommend any dividend.

Operations:

Your Company has not carried out any activities during the year under review other than collection of receivables and clearance of dues to creditors. Since the business of the company has been wound up and the management does not intend to initiate any new activities the Directors have not prepared the Annual Accounts on a 'going concern basis'. The management has initiated winding up and expects to wind up the company during the year 2005 at no significant further costs to that effect.

Acknowledgement:

Your Directors place on record their appreciation for the support from Shareholders, Employees, Bankers & Others.

For and Behalf of the Board of Directors

Place: Trevoze, USA

Date: 20 June 2005

Viswanath Tadimety

Director

AUDITORS' REPORT

TO,

THE SHAREHOLDERS OF CYBERTECH INFORMATION SERVICES UK, LIMITED

We have audited the attached Balance Sheet of **CYBERTECH INFORMATION SERVICES UK, LIMITED** as at 31st March 2005 and the related Profit & Loss Account for the period ended on that date, both of which have been signed by us under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We further report that :-

- We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of these books.
- The Balance Sheet and the Profit and Loss Account are in agreement with the books of accounts.
- In our opinion, these accounts have been prepared in compliance with the applicable Accounting Standards (AS) issued by the Institute of Chartered Accountants of India.

In our opinion and to the best of our information and according to the explanation given to us, the account read together with the notes thereon, particularly note 1 under the head "Accounting Policies" and note 3 under the head "Notes to Accounts" in Schedule 10, give the information required by The Companies Act of India, 1956 ('the Act'), in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2005; and
- In the case of Profit and Loss Account, of the loss for the period ended on that date.

For **A. M. Karwar & Associates**
Chartered Accountants

ROHIT A. MEHRA

Partner

Membership no. 103747

PLACE: MUMBAI

DATED: JUNE 20, 2005



BALANCE SHEET AS AT 31st MARCH, 2005

	SCHEDULE	As at 31st March, 2005	As at 30th June, 2004
SOURCES OF FUNDS			
		GBP	GBP
SHARE HOLDERS' FUNDS			
Share Capital	1	40,000	40,000
LOANS			
Unsecured Loans	2	525,223	558,773
		565,223	598,773
APPLICATION OF FUNDS			
CURRENT ASSETS, LOANS & ADVANCES			
Sundry Debtors	3	0	0
Cash and Bank Balances	4	6,931	51,251
Loans and Advances	5	295	0
		7,227	51,251
Less: CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	6	42,900	51,651
		42,900	51,651
NET CURRENT ASSETS/ (LIABILITIES)		(35,673)	(401)
PROFIT AND LOSS ACCOUNT (LOSS)		600,896	599,174
		565,223	598,773

Significant Accounting Policies and
Notes to the Accounts
Schedules referred to above form an integral part of the Financial Statements

As per our attached report of even date

For **A M Karwar & Associates**
Chartered Accountants

Rohit A. Mehra
Partner
Membership no. 103747

Mumbai, India
June 20, 2005

For and on behalf of the Board of Directors

Viswanath Tadimety
Director

Trevose, USA
June 18, 2005

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PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31st MARCH, 2005

	SCHEDULE	For the period 1st July, 2004 to 31st March, 2005	For the year 1st July, 2003 to 30th June, 2004
		GBP	GBP
INCOME			
Income from :			
Software Development and Services		0	76,540
Other Income	7	736	3,094
		736	79,634
		736	79,634
EXPENDITURE			
Employee costs	8	0	0
Operating and Administrative expenses	9	2,456	72,686
Interest		2	0
		2,458	72,686
		2,458	72,686
Profit/ (Loss) for the year		(1,722)	6,948
Provision for tax		0	383
Balance of Profit/(Loss) Brought Forward		(599,174)	(605,739)
Balance Carried Forward to the Balance Sheet		(600,896)	(599,174)
		(600,896)	(599,174)
Earnings per share- Basic and Diluted		(0)	0.17

Significant Accounting Policies and

Notes to the Accounts 10

Schedules referred to above form an integral part of the Financial Statements

As per our attached report of even date

For **A M Karwar & Associates**
Chartered Accountants

Rohit A. Mehra
Partner
Membership no. 103747

Mumbai, India
June 20, 2005

For and on behalf of the Board of Directors

Viswanath Tadimety
Director

Trevose, USA
June 18, 2005



SCHEDULES TO BALANCE SHEET AS AT 31st MARCH, 2005

	As at 31st March, 2005	As at 30th June, 2004
	GBP	GBP
SCHEDULE '1'		
SHARE CAPITAL		
AUTHORISED		
1,000,000 Equity shares of GBP 1 each.	1,000,000	1,000,000
ISSUED, SUBSCRIBED AND PAID-UP		
40,000 (Previous year 40,000) Equity shares of GBP 1 each fully paid.	40,000	40,000
SCHEDULE '2'		
UNSECURED LOANS		
From Companies	525,223	558,773
	525,223	558,773
SCHEDULE '3'		
SUNDRY DEBTORS (Unsecured)		
Considered Good		
Exceeding six months	0	0
Others	0	0
	0	0
	0	0
SCHEDULE '4'		
CASH AND BANK BALANCES		
Bank Balances		
With Other Banks		
- in Current Accounts	6,931	51,251
	6,931	51,251
SCHEDULE '5'		
LOANS AND ADVANCES		
Advances recoverable in cash or in kind or for value to be received	295	0
	295	0
SCHEDULE '6'		
CURRENT LIABILITIES		
Sundry Creditors	42,517	50,986
Other Liabilities	383	665
	42,900	51,651

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SCHEDULES TO PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31st MARCH, 2005

	For the period 1st July, 2004 to 31st March, 2005	For the year 1st July, 2003 to 30th June, 2004
	GBP	GBP
SCHEDULE '7'		
OTHER INCOME		
Gross Interest		
On Others	245	221
Exchange gain (net)	0	1,173
Excess Provision written back	491	1,700
	736	3,094
SCHEDULE '8'		
EMPLOYEE COSTS		
Salaries	0	0
	0	0
SCHEDULE '9'		
OPERATING AND ADMINISTRATIVE EXPENSES		
Communication	188	227
Professional fees	1,997	71,844
Auditors' Remuneration		
Audit Fees	0	270
Miscellaneous expenses	271	345
	2,456	72,686

CYBERTECH INFORMATION SERVICES U.K., LIMITED PERIOD ENDED 31.03.2005

SCHEDULE "10": NOTES ON ACCOUNTS

ACCOUNTING POLICIES

1. The Accounts of the company are not prepared on the historical cost convention & going concern basis since the business of the company has been closed and the management has initiated winding up of the company.
2. Foreign currency transactions, if any, are accounted at exchange rates prevailing on the date the transaction takes place. Gains and losses arising out of subsequent fluctuations are accounted for on actual payment/ realization. Gains/ losses, if any at period end on account of restatement of the current assets and current liabilities, are dealt with in the profit & loss account.
3. Provision for current year tax is made in accordance with the laws of the United Kingdom. The deferred tax for timing difference is accounted for, based on the tax rules and laws that have been enacted or substantively enacted as of the Balance Sheet date. Deferred tax assets arising out from the timing differences are recognized only to the extent there is reasonable certainty that these would be realized in future.

NOTES ON ACCOUNTS:

1. Details of Auditors Remuneration debited to Profit & Loss A/c. is GBP ____ (Previous year GBP 270)
2. No deferred tax asset is recognized on account of unabsorbed losses for the year, as also earlier years since the management is in the process of winding up the Company.
3. The management intends to wind up the company during the year 2005 and does not expect any significant further costs to that effect.
4. Previous Year figures have been rearranged/ regrouped wherever necessary.



SCHEDULE 11

Cash flow statement :

	For the period 1st July, 2004 to 31st March, 2005	
	GBP	GBP
A. Cash flow from Operating activities		
Net profit before tax :		(1,722)
Adjustment for :		
Interest income	(245)	(245)
Operating profit before Working Capital changes		(1,967)
Adjustment for :		
Decrease/(Increase) in Trade & other receivables	-	
Increase/(Decrease)Trade payables	(8,751)	(8,751)
Cash generated from operations		(10,719)
Tax paid		-
Net cash from operating activities		(10,719)
B. Cash flow from investing activities		
Interest received		245
Net cash from investing activities		245
C. Cash flow from financing activities :		
Proceeds from/ (Repayment of) short term borrowings		(33,550)
Loans & Advances (made)/ refunded		(295)
Net cash from financing activities		(33,846)
Net increase/(Decrease) in cash & cash equivalents (a+b+c)		(44,319)
Cash & cash equivalents (Opening)		51,251
Cash & cash equivalents (Closing)		6,931
		(44,319)

Note :

- 1 Cash and Cash equivalents includes :
 - a) Balance with Other Banks in Current Accounts

For **A M Karwar & Associates**
Chartered Accountants

Rohit A. Mehra
Partner
Membership no. 103747

Mumbai, India
June 20, 2005

For and on behalf of the Board of Directors

Viswanath Tadimety
Director

Trevose, USA
June 18, 2005

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INFORMATION FOR SHAREHOLDERS

1. **Date of Book Closure** : August 18, 2005 to August 23, 2005
(Both days inclusive).
2. **Date, Time and Venue of the Annual General Meeting** : Tuesday, the 23rd August, 2005 at 4.00 p.m.
'CyberTech House', Plot No. B-63/64/65
Road No.21/34, J. B. Sawant Road, MIDC
Wagle Estate, Thane (West) – 400 604.
3. **Listing on Stock Exchange at** : (i) The Stock Exchange, Mumbai,
Phiroz Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001.

(ii) National Stock Exchange of India Limited, Exchange Plaza,
5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex,
Bandra (East), Mumbai - 400 051.
4. **Listing Fees** : Company has paid listing fees to BSE and NSE for the year
2005-2006
5. **Registered Office** : 'CyberTech House', Plot No. B-63/64/65
Road No. 21/34, J. B. Sawant Road, MIDC
Wagle Estate, Thane (West) – 400 604.
6. **Communication regarding Share transfers in physical form and regarding share Certificates, dividends and change of address may be addressed to** : **Intime Spectrum Registry Ltd.**
C-13, Pannalal Silk Mills Compound
L.B.S Marg, Bhandup, Mumbai 400078
Tel : 91-22-2592 3837/55555454
Fax : 91-22-5555 5353

Collection Center : 2nd Floor, Davar's House
Behind Central Cinema,
Fort, Mumbai –400001
Tel Nos. : 226 94127.
7. **Share Transfer System** : Shares sent for transfer in physical form are generally registered
and returned within a period of 15 days from the date of lodgment
and Demat requests are normally confirmed within an average
period of 15 days, provided the documents are clear and complete
in all respect.
8. **Categories of Shareholders as on 31st March 2005**

Category	No. of shares held	%
Promoters (NRI's)	1,38,30,327	59.6515
Relatives of Promoters	68,962	0.2974
Directors and their relatives	11,500	0.0496
FII's/FFI's	575	0.0025
Bodies Corporate(Domestic)	7,09,764	3.0613
Non-Resident Indians/OCBs	12,67,417	5.4665
Public	72,02,082	31.0632
Mutual Funds	0	0
Bank/Insurance Companies	48,601	0.2096
In Transit (Depositories)	45,995	0.1984
Total	231852230	100.00



9. Distribution of Shareholding as on 31st of March, 2005.

No. of shares held	Shareholders		Nominal value	
	Nos.	%	Rs.	%
1 - 5000	12167	82.276	18344520	7.912
5001 - 10000	1215	8.216	9815160	4.233
10001 - 20000	727	4.916	10746720	4.635
20001 - 30000	231	1.562	5748880	2.480
30001 - 40000	95	0.642	3335850	1.439
40001 - 50000	82	0.555	3864140	1.667
50001 - 100000	145	0.981	10469700	4.5160
100001 - above	126	0.852	169527260	73.119
Total	14788	100.00	231852230	100.00

10. Stock Market Data :

The Monthly high and low quotations of shares traded on The Stock Exchange, Mumbai (BSE) and the National Stock Exchange (NSE) for the period July 1, 2004 to March 31, 2005 are as follows:

Month	BSE		NSE	
	High	Low	High	Low
July, 2004	6.76	5.08	6.7	5.35
August, 2004	6.25	5.00	6.4	5.0
September, 2004	7.21	5.05	7.20	5.15
October, 2004	8.49	6.40	8.35	6.25
November, 2004	11.80	7.00	11.60	6.95
December, 2004	10.50	7.49	10.45	7.60
January, 2005	12.39	8.00	12.45	7.50
February, 2005	10.49	8.00	10.90	8.40
March, 2005	14.20	8.50	14.95	8.25

11. Stock Code : The Stock Exchange, Mumbai 532173
National Stock Exchange of India Ltd. (NSE) CYBERTECH

12. Dematerialisation of Shares and Liquidity:

At present, the Company's 22362858 (96.45% of total equity shares) are held by the Shareholders in dematerialized form.

13. Outstanding GDRs/ADRs/ Warrants or any convertible instrument:

The Company has not issued any GDRs /ADRs/Warrants or convertible instruments.

14. Any complaint, remaining unresolved, may be addressed to :

Mr. Suresh Thakur Desai – Company Secretary
Tel. Nos. 2583 4643/44/45, 2583 1258/59, and Fax No. 2583 2574.
e-mail : suresh.thakurdesai@cybertech.com



CyberTech Systems
and
Software Limited

Registered Office :
'CyberTech House', Plot No. B-63/64/65, Road No. 21/34,
J. B. Sawant Marg, MIDC, Wagle Estate, Thane (West), 400 604.

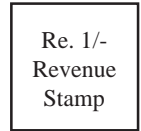
PROXY FORM

I / We _____ of _____ in the district
of _____ being a member / members of CyberTech Systems and Software Limited,
appoint _____ of _____ in the district
of _____ or failing him,
_____ of _____ in the district of
_____ as my / our proxy to vote for me / us and on my / our behalf at the Tenth Annual General
Meeting of the Company to be held on Tuesday, 23rd day of August, 2005 at the Registered Office of the Company at
'CyberTech House', Plot No. B-63/64/65, Road No. 21/34 J. B. Sawant Marg, MIDC, Wagle Estate, Thane (West)
400604 at 4.00 p.m. and at any adjournment thereof.

* DP. ID : _____ Client ID : _____

Folio No. : _____

Signed this _____ day of _____ 2005.



Signature of Shareholder

Note : This form duly completed should be deposited at the Registered Office of the Company before 48 hours of
the meeting.

* Application for investors holding shares in electronic form.



CyberTech Systems
and
Software Limited

Registered Office :
'CyberTech House', Plot No. B-63/64/65, Road No. 21/34,
J. B. Sawant Marg, MIDC, Wagle Estate, Thane (West), 400 604.

ATTENDANCE SLIP

(Please complete the attendance slip and hand over at the entrance of the meeting hall)

I hereby record my presence at the Tenth Annual General Meeting of the Company to be held on Tuesday, 23rd day of
August, 2005 at the Registered Office of the Company at 'CyberTech House', Plot No. B-63/64/65, Road No.
21/34. J. B. Sawant Marg, MIDC, Wagle Estate, Thane (West), 400 604. at 4.00 p.m.

* DP. ID : _____ Client ID : _____

Folio No. : _____

Full Name of the Shareholder / Proxy _____
(In BLOCK letters)

Signature

Please bring this Attendance slip to the Meeting.

*Application for investors holding shares in Electronic Form.